

Registered number: 10647453

Potteries Educational Trust

Trustees' Report and Financial Statements

For the Year Ended 31 August 2024



Potteries Educational Trust
(A Company Limited by Guarantee)

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Potteries Educational Trust
(A Company Limited by Guarantee)

Reference and Administrative Details

Members

M Jones
T McMillan
A Rogers
C Shanahan

Trustees

M Jones, Chair³
M Kent, Chief Executive (resigned 31 December 2023)^{1,4}
C Freeman^{1,3,4}
P Gavin^{2,3}
M Johnstone⁴
R Johnstone (resigned 31 August 2024)⁴
P Mangnall²
C Mayer²
J Smart¹
K Smith⁴
J Hunter (resigned 31 August 2024)¹
R Jones¹
K Spelman Miller⁴
H McLachlan, Chief Executive (appointed 1 January 2024)^{1,4}

¹ Finance and Resources Committee

² Audit and Risk Committee

³ Remuneration Committee

⁴ Quality of Education Committee

Company registered
number

10647453

Company name

Potteries Educational Trust

Principal and registered
office

C/O City of Stoke-on-Trent Sixth Form College
Leek Road
Stoke-On-Trent
Staffordshire
ST4 2RU

Company secretary

S Hawley

Reference and Administrative Details (continued)
For the Year Ended 31 August 2024

Senior management
team

M Kent, Chief Executive Officer and Principal of City of Stoke-on-Trent Sixth Form College until 31 December 2023
H McLachlan, Deputy CEO and Director of Educational Improvement until 31 December 2023.
Chief Executive Officer from 1 January 2024
D Robinson, Headteacher - Moorside High School
C Prince, Headteacher - Werrington Primary School from 1 September 2023
E Robinson, Headteacher - Biddulph High School
E Wortley-Shotton, Chief Financial Officer until 31 August 2024
S Hawley, Company Secretary/Governance Professional
L Morrey, Principal, City of Stoke-on-Trent Sixth Form College from 3 June 2024
C Gaygan, Chief Operating Officer from 3 June 2024

Independent auditors

Dains Audit Limited
Suite 2, Albion House
2 Etruria Office Village
Forge Lane
Etruria
Stoke-on-Trent
ST1 5RQ

Bankers

Lloyds Bank
Fountain Square
Hanley
Stoke-On-Trent
ST1 1LE

Solicitors

Eversheds Sutherland LLP
Two New Bailey
6 Stanley Street
Salford

Potteries Educational Trust
(A Company Limited by Guarantee)

Trustees' Report
For the Year Ended 31 August 2024

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2023 to 31 August 2024. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The Potteries Educational Trust, going forward referred to as 'the trust' operates four academies in Stoke-on-Trent and Staffordshire. These were the City of Stoke-on-Trent Sixth Form College, Biddulph High School, Moorside High School and Werrington Primary School. Its academies have a combined student capacity of 4,270 students and had a roll of 3,756 in the college and school census returns in October 2024. The sixth form college also provides a foundation degree programme for around a further 100 students from Staffordshire University.

Structure, governance and management

a. Constitution

The Trust is a charitable company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Trust. The Trustees of the Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as the Potteries Educational 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.

b. Members' liability

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

c. Trustees' indemnities

Trustees benefit from indemnity insurance purchased at the Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of negligence, default or breach of duty of which they may be guilty in relation to the Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the trustees knew to be a breach of trust or breach of duty or not, and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the trustees in their capacity as Directors of the academy Trust.

d. Method of recruitment and appointment or election of Trustees

Eligibility to act as a Trustee of the Trust is within the Constitutional Framework and Clauses 45-80 of the Articles of Association.

Up to eight Trustees are appointed by the Members and other Trustees are co-opted by the Trust Board. The Trust Board has Trustees available that can convene when there is a requirement to attract, recruit and appoint new trustees with a range of skills and background to provide the Trust with the best possible advice and support. Elected parents, staff or students are appointed to serve the Local Governing Bodies.

Structure, governance and management (continued)

e. Policies adopted for the induction and training of Trustees

The majority of training and induction provided for each new Trustee will be based on a core programme and induction pack supplemented by additional content depending on their existing skills and experience and where necessary will provide training on charity, educational, legal and financial matters. In-house training with specialist staff is provided prior to trustee meetings. Strategic development days are held to update trustees and governors on latest developments in the sector and the possible impact on the Trust policies and priorities. Skills audits are undertaken on a regular basis to identify gaps and techniques implemented to review effective governance.

f. Organisational structure

The Trustees are responsible for setting general policy, adopting a three-year annual strategic plan and budget which is reviewed annually, monitoring performance and appointment of Senior Postholders. The Chief Executive Officer, the Deputy Chief Executive Officer, the Headteachers, the Chief Financial Officer and the Governance Professional to the Trust Board are deemed to be Senior Postholders for the purposes of pay decisions by the Trust Remuneration Committee.

Each school and college across the Trust has its own Senior Management Team (SMT) and Middle Management Team as appropriate for the needs of the establishment.

Each SMT control their own academy within the Trust at a leadership level, adhering to the scheme of delegation, implementing policies laid down by the Trustees and reporting back to them. As a group they are responsible for the authorisation of spending within approved budgets and the appointment of staff.

Middle Managers consisting of curriculum and support managers, in addition to the SMT, have delegated responsibilities and encourage decision making at all levels. This group also reviews Risk Management within the organisation.

The Trust's Executive Group provides strategic leadership and the consideration of trust wide policies and curriculum delivery across the trust. The Executive Group comprises the Chief Executive Officer, the Headteachers and Principal of the academies, Chief Financial Officer, Chief Operating Officer and the Governance Professional.

g. Arrangements for setting pay and remuneration of key management personnel

Trustees make decisions on pay levels for senior postholders upon the recommendation of the Remuneration Committee. These are based on national and sector benchmarks as well as performance of individuals. Levels of pay for other senior leaders are also based on the same criteria. Pay for Headteachers is considered by the Remuneration Committee on the recommendation of the Local Governing Body. Pay decisions for other senior leaders are made by the Principal or Headteacher through the performance management processes.

Trustees' Report (continued)
For the Year Ended 31 August 2024

Structure, governance and management (continued)

h. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	5
Full-time equivalent employee number	5

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	4
1%-50%	1
51%-99%	-
100%	-

Percentage of pay bill spent on facility time	£
Total cost of facility time	1,335
Total pay bill	19,917,636
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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i. Related parties and other connected charities and organisations

The Potteries Educational Trust works in partnership with local schools and colleges and in particular SASCAL, a headteachers group within the City of Stoke-on-Trent.

Additional schools are actively being sought and further growth of the trust is anticipated over the next three years.

The Potteries Educational Trust recognises the importance of relationships with all of these bodies as well as a range of stakeholders and engages with them on a regular basis.

j. Engagement with employees (including disabled persons)

The Trust keeps its employees informed regarding matters affecting them through the PET joint development days, staff briefings, weekly bulletins, e-mails and departmental meetings. With regards to disabled individuals under the employment of the Trust, the trust has an Equal Opportunities Policy that it adheres to.

Trustees' Report (continued)
For the Year Ended 31 August 2024

Structure, governance and management (continued)

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

The Trust works with both internal and external stakeholders in accordance with the "Seven Principals of Public Life", these being: Selflessness, Integrity, Objectivity, Accountability, Openness, Honesty and Leadership. The Trust relies on external suppliers for the provision of key services and these suppliers are treated on the same basis to establish and maintain a good working relationship.

The Trust's procurement policy is dealt with in accordance with the provision of its Financial Framework, which sets out the correct process to be followed and the relevant financial delegations applying across all trust academies. The Trust aims to achieve best value for money and the best price possible from all suppliers given that a large proportion will be paid with public funds. The Trust is required to maintain the integrity of those funds whilst ensuring that a fair process is published and followed.

Communicating with students and parents/carers has been established through the use of letters, texts, e mail, social media and management information systems including CEDAR, BROMCOM, Arbor and ParentPay.

Objectives and activities

a. Objects and aims

Our focus is to provide the very best education for every child and young person within the Trust, offering a high quality, broad, academic education for the children and young people of Stoke-on-Trent, North Staffordshire and beyond. Working with like-minded partners, the Potteries Educational Trust centres on the development of the very best practice in teaching, learning and assessment. We will provide teaching and learning in a nurturing, supportive environment with a broad range of opportunities and extra-curricular activities available for all within the Trust.

As a learning and caring community, we share common values and principles which are embraced at every academy within the Trust. These values form the foundations of everything that we do and achieve as a Trust with one outcome in mind, to create a caring community that delivers excellence and inspires futures.

Each school and college has its own Local Governing Body so that decisions are made at a local level specific to the individual needs of each academy. Each establishment has its own individual character and uniqueness. It is important for our Trust to celebrate our diversity whilst working to our common values and principles.

We offer a vast range of opportunities through the curriculum and extra curriculum activities to develop our young people for life experiences and promote high aspirations. The Trust has extensive links with regional and national businesses and universities. We provide wide ranging continuous professional development opportunities for all staff.

We are proud of being a Trust that successfully promotes the highest of aspirations in all our students as evidenced by the multiple opportunities available to meet leading professionals and academics, explore their vocation, experience educational visits across the globe and apply successfully for the most competitive of destinations.

We are a vibrant Learning Community working hard in the areas that we serve to maintain and develop excellent and innovative teaching and learning.

Trustees' Report (continued)
For the Year Ended 31 August 2024

Objectives and activities (continued)

What we value:

- Innovation – to embrace creativity in all its forms
- Respect – to respect and celebrate the uniqueness of each of our academies and their communities
- Community – To be the heartbeat of our communities
- Aspiration – to inspire our young people to follow their dreams
- Integrity – to be honest, ethical and trustworthy
- Excellence – to strive for excellence in all that we do

We are committed to:

- People Development and Wellbeing – We are committed to excellence in our People Strategy, ensuring the educational and professional development of all and promoting wellbeing.
- Curriculum Excellence – We provide our children and young people with tailored broad and balanced curricula that equip them to achieve their goals, succeed and positively contribute to an ever-changing world.
- Community and Partnership – We are committed to system leadership to build on our strong purposeful relationships with many and varied partners.
- Operational Excellence – We enable our school leaders to drive their core educational purpose by delivering outstanding, appropriate and innovative services.

Through our current values:

- We strive for excellence in both academic achievement and life experiences to provide a rich education and opportunities beyond just a set of qualifications.
- We seek to inspire our children and young people, raising their aspirations to be the best they can be and to make a positive contribution to our local and national community.
- We believe in the added value of working partnerships across all phases of education and the benefits and opportunities it brings to our students and staff.
- We will maintain an open access policy ensuring that admission is not based on academic success, within the context of the available curriculum in each academy.
- The Trust will promote a broad, holistic education for all our children and young people who seek to broaden their understanding of the world.
- All partners in the Trust have an equal place and will work together with honesty, transparency and fairness. We will learn from each other to add value to our practices and to the children and young people and communities we serve.

Trustees' Report (continued)
For the Year Ended 31 August 2024

Objectives and activities (continued)

We have reviewed our Strategic Plan for 2023-2028 which includes six strategic objectives:

- All learners will master a broad, enriched curriculum – As a result, achievement in all academies is consistently above national average in all areas for all learners
- Every learner will have regular experiences/encounters with industry/university/employers every year, supported by specialist careers advice, which also help to meet local skills gaps – As a result, PET is nationally recognised as a national leader in careers and employment experiences for young people
- All academies will use creative, digital technologies to improve learning and support innovative curriculum delivery. As a result, PET staff and learners are confident users of digital technology to innovate and master the curriculum, and PET is a beacon of excellence in the use of digital technologies for learning.
- 'Employer of choice' – As a result, employees' likelihood to recommend exceeds 90% and at least 95% of staff agree that PET offers both high quality professional development and cares about staff wellbeing
- The PET will attract academies to our trust and add value to the lives of learners – As a result, the PET has more primary academies (including Middle and First Schools).
- All PET academies will become carbon neutral, sustainable institutions – As a result, PET academies achieve 40% reduction in direct and indirect emissions, reducing our overall PET carbon footprint.

Our Big Hairy Audacious Goal over the next 5 to 25 years is to be the highest performing trust and system leader for creative, digital, educational innovation in the Midlands and beyond.

We are a vibrant Learning Community working hard in the areas that we serve to maintain and develop excellent and innovative teaching and learning.

b. Financial Objectives

The Trust sets annual financial objectives in order to continue to maintain high standards of education and support for learners by the efficient use of funding allocated to the Trust's academies.

In addition, the Trust intends to remain financially sound so as to:

- Maintain and further develop the very highest levels of teaching and learning for all its students. We seek to be the centre for academic excellence in the region and to work to support colleagues in feeder schools in developing their practice also – working in a collegiate way that acknowledges we can learn as much from them as they from us and for the betterment of all young people's lives in the area.
- Protect itself from unforeseen adverse changes in enrolments and learner activity levels. It should be noted that although the concept of the current funding methodology reduces the risk of in year reconciliation any under achievement of targets in one year could lead to rebasing of allocations and reduced funding in future years.
- Provide a safe, pleasant and secure working environment for all learners and staff.
- Generate sufficient income to enable maintenance and improvement of its accommodation and equipment.
- Develop staff to their full potential to enable them to motivate learners to achieve their goals.

The Trust wishes to maintain the confidence of funders, suppliers, bankers and auditors whilst also raising the awareness of trust staff of the financial environment under which it operates.

Trustees' Report (continued)
For the Year Ended 31 August 2024

Objectives and activities (continued)

c. Public benefit

The Potteries Educational Trust is an exempt charity under Part 3 of the Charities Act 2011 and is regulated by the Secretary of State for Education. The Directors, who are Trustees of the charitable company are disclosed on page 1.

In setting and reviewing the Trust's objectives, the trustees had due regard for the Charity Commission's guidance on public benefit and particularly upon its supplementary guidance on the advancement of education. The guidance sets out the requirement that all organisations wishing to be recognised as charities must demonstrate, explicitly, that their aims are for the public benefit.

In delivering its mission, the Trust provides the following identifiable public benefits through the advancement of education:

- High quality teaching and learning
- Widening participation and tackling social exclusion
- Excellent employment record for students
- Strong student support systems
- Links with employers, industry and commerce.

Strategic report

Achievements and performance

Key Stage 5 Achievement

As a result of their hard work and excellent teaching at the City of Stoke Sixth Form College and Biddulph High School, the Trust students have now progressed to a wide range of higher education courses and apprenticeships including:

- Medicine, Dentistry and Veterinary
- Economics and Finance
- Mathematics, Engineering and Computing
- Medical Engineering
- Apprenticeships with Siemens and Barclays
- Oxford, Cambridge, Manchester, Cardiff, Staffordshire, Keele, Sheffield, Derby, Loughborough Universities and many more

PET students have achieved some of the highest results nationally in Computer Science, Chemistry, Biology and Physics, Mathematics, Politics, Business Studies, Geography, History, Psychology, Health and Social Care, Arabic, Health Sciences, Finance and creative courses like TV/Film, Digital Design and Music.

Outcomes in A Level courses

Overall, Trust results show that while attainment increased in both academies with attainment in High Grades 40.6% at BHS and at SFC 45%. A-E Pass rates are above or close to national at Stoke-on-Trent Sixth Form College and Biddulph High School.

Outcomes in Vocational and Technical courses

Results for HG in Vocational and Technical courses are a strength across the trust with SFC HG of 62.66% for their Diploma and Certificate courses (including extended) and BHS achieving 36% HG. This is an improved picture overall and pass grades for vocational courses at both academies were above national results.

Technical education continues to be outstanding at PET as it reflects our focus on skills and strong partnerships with a wide range of employers like University Hospital North Midlands Trust, Staffordshire Highways Laboratory, Cyberkilt, Siemens and the Home Office. T Level courses at SFC achieved 92% HG and 100% pass rates which is well above national averages and the highest in the region.

GCSE resit data continues to be a strength of our trust with GCSE resits in Maths above national average at both Biddulph High School and Stoke Sixth Form College in 2023. GCSE resits in English at Stoke Sixth Form College were above national average for the third year in a row, well above the local GCSE English and Maths outcomes.

Trustees' Report (continued)
For the Year Ended 31 August 2024

Strategic report (continued)

Achievements and performance (continued)

Key Stage 4 Achievement

Students at Biddulph High School, Moorside High School and the City of Stoke Sixth Form College have once again achieved excellent examination results this year in GCSE and Level 2 Vocational courses. The hard work and dedication of students and staff have led to exceptional results across the board. This includes an increase in students achieving grades 9-7 in English and Maths and 100% of students achieving the qualifications to enable them to attend their chosen destinations.

Potteries Educational Trust students have achieved top results in English, German, Art, Drama, GCSE PE, Information Technology, BTEC Sport, Graphics, Triple Science and Computer Science.

Successes include:

English and Maths Success: 14% students in English and Maths achieved grades 9-7 at Biddulph High School and 20% of Moorside High School achieving 9-7 grades in English, Maths and English results at 9-4 above or in line with national at both academies, 30 grade 9s at Biddulph High School and 25% of all grades an 8 or a 9 at Moorside High School and wider curriculum success with 91% BHS Art students achieving grades 9-5, above national average and at MHS, in GCSE PE almost every student achieved 9-5 grade

Key Stage 2 Achievement

The progress of Werrington Primary School's Year 6 students was strong with a significant majority making expected or better than expected progress with a significantly high special educational needs and disabilities cohort (25%). The expected Reading Writing Maths 56% was slightly lower than the previous year but higher Reading Writing Maths at 4% is slightly better than 2023 (3%). Writing and spelling punctuation and grammar continue to be above or in line with national outcomes for the third year in a row. Higher Reading (30%) is above 2023 and national average.

Key Stage 1 and EYFS Achievement

Results at Werrington Primary School show that phonics have sustained improvements in outcomes whilst at early years foundation stage outcomes for reception classes reflected the complex nature of the cohort. In particular, physical development, maths and understanding of the world were in line with county and regional outcomes. Communication and Language achieved lower outcomes, reflecting the complex needs of the cohort (3 have educational health care plans, 4 special educational needs and disabilities K code, 1 looked after child, 12% Disadvantaged pupils) and impact of COVID. Nursery outcomes are in line with Staffordshire averages.

The Trust are pleased with an overall good set of outcomes for our learners, including attendance above national expectations in every one of our academies, reflecting our commitment to ensuring our children and young people attend and enjoy school.

Trustees' Report (continued)
For the Year Ended 31 August 2024

Strategic report (continued)

Achievements and performance (continued)

Key performance indicators

The Trust continues to monitor the performance of its academies through regular monitoring by the CEO and Senior Management Teams within each academy. Specialist resources are targeted to specific areas as necessary.

The Trust operates in line with the requirements of its Funding Agreement with the Education and Skills Funding Agency (ESFA) and manages its reserves in line with the Trust's financial policies.

a. Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Trust has adequate resources to continue 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.

b. Promoting the success of the company

The Trust provides systems, structures and external networks to support the work in the Trust's academies to enable them to prioritise their time on teaching, learning strategies and outcomes for their schools. The Trust believe that this allows schools leadership and local committees to focus on the needs of the children and young people in their schools / college within a supportive framework.

The Trust works hard to ensure that each academy environment is fit for purpose and that environmental impact is considered when decisions are made regarding trust infrastructure. Recent building projects at the trust's schools and college have used both local and regional workforces and ecological standards have been observed.

The professional conduct of our trustees, governors, staff and visitors is of the utmost importance to the Trust. All are expected to abide by relevant codes of conduct and trust policies.

Financial review

The Trust receives the majority of its funding from the Education and Skills Funding Agency (ESFA) in the form of recurrent grant paid on a monthly basis. The grant received during the period is shown as 'Restricted Funds' in the Statement of Financial Activities.

The Trust also benefits from a Devolved Formula Capital Grant which is used for maintenance projects and investment in resources.

The Trust has fixed assets of £54,318,876, cash of £1,294,228 and short term investment balances of £2,070,390. The Trust has accumulated reserves and cash balances in order to create a contingency fund for future capital development.

Trustees' Report (continued)
For the Year Ended 31 August 2024

Strategic report (continued)

Restricted funds total £54,774,589 and movements during the year are shown in note 21 to the financial statements.

The Trust has reliance on the education sector funding bodies for its principal funding source, largely from recurrent grants.

a. Reserves policy

The Board of Trustees recognise the importance of reserves in the financial stability of any organisation and ensures there are adequate reserves to support the Trusts' core activities. This review encompasses the nature of the income and expenditure streams, the need to match income with commitments and the nature of the reserves.

The Trust aims to continue to accumulate reserves and cash balances to enable future capital developments and cushion the effects of any further decreases in real terms funding levels. Discussions are also taking place with partner organisations to develop further sports facilities for the City of Stoke-on-Trent Sixth Form College to replace those at Fenton Manor following either the end of the current period or early termination outside of the control of the Trust.

Any schools joining the Trust will adhere to the Trust's reserves policy which states that reserves will not be pooled. The Board of Trustees and each academy's Local Governing Body will decide on how their respective academy reserves will be spent in consultation from the Chief Executive Officer and Chief Financial Officer.

Upon review of the Trust reserves position at 31 August 2024, the current balance of restricted general funds (excluding pensions and enhanced pension reserves) is £370,466 plus a £1,401,465 balance on unrestricted reserves funds.

The reserves currently held are slightly below the Trust's target which is contained within the Reserves Policy. For confirmation this is £1,905,000 which broadly represents 7.5% of total annual funding. The Trust continues to set out to steadily increase reserves each year, with capital investment projects targeted across the Trust for use of these funds when necessary and suitable funds permit.

b. Investment policy

Treasury management is the management of the Trust's cash flows, banking and money market transactions; the effective control of the risks associated with these activities; and the pursuit of optimum performance consistent with the associated risks. The Trust has a separate investment policy in place.

During the period there was no short-term borrowing for temporary revenue purposes and the Trust has no bank loans. Any borrowing requires the authorisation of the Trustees and must comply with the requirements of the Funding Agreement agreed with the ESFA.

Trustees' Report (continued)
For the Year Ended 31 August 2024

c. Principal risks and uncertainties

The Trust has undertaken further work during the year to develop and embed the system of internal control, including financial, operational and risk management which is designed to protect the Trust's assets and reputation.

Based on the strategic plan, the Senior Management and Executive Group undertake regular comprehensive reviews of the risks to which the Trust is exposed. They identify systems and procedures, including specific preventable actions which should mitigate any potential impact on the Trust. The internal controls are then implemented and the subsequent year's appraisal will review their effectiveness and progress against risk mitigation actions. In addition to annual reviews, the Senior Management and Executive Group also consider any risks which may arise as a result of a new area of work being undertaken by the Trust.

A detailed risk register is maintained at both Trust and academy level which is reviewed at least termly by the Audit and Risk Committee and more frequently where necessary. The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on the Trust and the actions being taken to reduce and mitigate the risks. Risks are prioritised using a consistent scoring system. This is supported by a risk management training programme to raise awareness of risk throughout the Trust.

Outlined below is a description of the principal risk factors that could affect the Trust although not all of the factors are within the Trust's control. Other factors besides those listed below may also adversely affect the Trust.

Government Funding

The Trust has considerable reliance on continued government funding through the education sector funding bodies. There can be 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. Demographic trends also have a significant impact on recurrent funding.

Fundraising

The Trust does not use external fundraisers. Fundraising is monitored at a local level by individual academies.

Potteries Educational Trust
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Trustees' Report (continued)
For the Year Ended 31 August 2024

Streamlined energy and carbon reporting

The Trust's greenhouse gas emissions and energy consumption are as follows:

	2024	2023
Energy consumption used to calculate emissions (kWh)	3,509,553	4,207,531
Energy consumption breakdown (kWh):		
Gas	1,834,819	2,447,503
Electricity	1,639,642	1,743,010
Transport fuel	35,091	17,018
Scope 1 emissions (in tonnes of CO2 equivalent):		
Gas consumption	335	446
Owned transport	8	4
Total scope 1	<u>343</u>	<u>450</u>
Scope 2 emissions (in tonnes of CO2 equivalent):		
Purchased electricity	<u>340</u>	<u>361</u>
Scope 3 emissions (in tonnes of CO2 equivalent):		
Business travel in employee-owned or rental vehicles	<u>5</u>	<u>3</u>
Total gross emissions (in tonnes of CO2 equivalent):	<u>688</u>	<u>814</u>
Intensity ratio:		
Tonnes of CO2 equivalent per pupil	<u>0.18</u>	<u>0.22</u>

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 2024 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 (based on the autumn census), the recommended ratio for the sector.

Measures taken to improve energy efficiency

We have smart meters in place at our academy sites and have also significantly increased the amount of video conferencing technology now in use across the Trust, in order to reduce the need for travel between sites and for travel to sites for some governance meetings.

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Trustees' Report (continued)
For the Year Ended 31 August 2024

Plans for future periods

The Trust remains concerned that future austerity plans along with high inflation and high energy costs will continue to impact negatively on the education sector.

The challenges faced by the sector include:

- Developing the curriculum to meet the needs of learners with the introduction of linear courses
- Meeting the challenge of continued restrictions in funding
- Increases in high inflationary employer payroll costs
- Maintaining the quality and experience for students
- National challenges with recruitment and retention in certain subject areas
- Growth of the trust and continued collaboration with schools and academies in the best interests of learners.

Resources

The Trust has resources that it can deploy in pursuit of its strategic objectives:

- Established and well-trained staff
- Excellent ICT infrastructure
- Its reputation as an organisation that achieves excellent results, together with high quality learner support
- Excellent facilities and physical resources

Events after the End of the Reporting Period

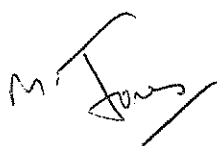
There have been no significant or material events to report after the period end.

Disclosure of information to auditors

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that 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 auditors are aware of that information.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 12 December 2024 and signed on its behalf by:



M Jones
Chair of Trustees

Potteries Educational Trust
(A Company Limited by Guarantee)

Governance Statement

Scope of responsibility

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

As Trustees, we have reviewed and taken account of the guidance in DfE's Academy Trust Governance Guide and competency framework for governance.

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Potteries Educational 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 4 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
M Jones, Chair	4	4
M Kent, Chief Executive Officer until 31 December 2023	2	2
C Freeman, Vice Chair	4	4
P Gavin	3	4
J Hunter	4	4
M Johnstone	1	4
R Johnstone	2	4
R Jones	3	4
P Mangnall	3	4
C Mayer	4	4
J Smart	4	4
K Smith	4	4
K Spelman Miller	3	4
H McLachlan, Chief Executive Officer from 1 January 2024	2	2

Conflicts of Interest

The Trust maintain a register of interests which contains any business or pecuniary interests that trustees and leaders have. These are reviewed as least annually. A specific agenda item is added to the autumn trust board meeting which is available on the Trust website. It is also a standing item on each board meeting agenda for trustees and leaders to declare any conflicting interests they may have in agenda items.

Governance Statement (continued)

Governance (continued)

Governance Review

The most recent trust skills audit was undertaken in the summer term 2022. The outcome and results of the audit were scrutinised for any gaps in the skills and experience of the current board. The skills and experience will continue to be reviewed on a regular basis and in particular, when the membership of the Board changes.

An external governance review commenced in Autumn Term 2023 with a planned Governance and Leadership review during each Term. Biddulph High School and Moorside High School were reviewed in the Autumn Term 2022 and Spring Term 2023 respectively and action plans developed. The planned review for the City of Stoke on Trent Sixth Form College was postponed from the Summer Term 2023 following a successful Ofsted inspection and a change of Principal from 1 June 2024. Plans have been made for the external review to be completed in the Autumn Term 2024. The review for Werrington Primary School is planned for Autumn Term 2024 following changes to the senior leadership team which took effect from September 2023. An external review of the Trust Board and its committees is taking place in the Autumn Term 2024.

The Finance and Resources Committee is a committee of the main board of trustees. The Committee has met three times during the year. Its purpose is to assist the Board through regular monitoring of its financial performance, approving capital projects and the monitoring of other key performance indicators.

During the 2023/24 financial year the Committee continued to monitor the progress and financial management of the budget for the Trust. Variations to budget were evaluated closely following a budget re-forecast at the start of the Autumn Term 2023.

Pay awards for 2023 were approved for implementation.

The Committee regularly monitored the Biddulph High School deficit budget recovery plan and agreed a realistic repayment schedule to the Trust Reserves.

Following the retirement of the Principal of City of Stoke-on-Trent Sixth Form College, with effect from 31 December 2023, an interim Principal appointment was made for the Spring Term 2024 prior to the new Principal appointment with effect from 1 June 2024.

Estate condition improvements were evaluated, and approval granted for applications for Condition Improvement Funding to be made with appropriate match funding from academy reserves. CIF fundings applications were successful for our academies and work has proceeded appropriately over the academic year.

The STEM Learning Science Learning Partnership contract, Computing Hub and Digital School House contracts were reviewed and a revised contract agreed from March 2023.

Central Service Team capacity was reviewed and a recommendation made to the Board to increase the academy central contribution to 3.8% to enable appropriate capacity across central service to support academies successfully.

Chairs of Local Governing Body Finance and Resources sub-committees were invited to be in attendance at the committee with effect from Summer Term 2023.

Potteries Educational Trust
(A Company Limited by Guarantee)

Governance Statement (continued)

Governance (continued)

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
C Freeman	1	3
J Hunter	2	3
R Jones	3	3
M Kent until 31 December 2023	1	1
H McLachlan from 1 January 2024	2	2
J Smart	3	3

The Audit and Risk Committee is a committee of the main board of trustees. The Committee has met three times during the year. Its purpose is to ensure statutory compliance and assist the Board in ensuring the adequacy and effectiveness of control systems and procedures and in considering audit and other reports.

During the 2023/24 financial year the Committee continued to regularly review the risk register and made recommendations as appropriate to the Trust Board and oversee compliance with statutory requirements.

The committee reviewed the provision provided by the appointed external data protection officer service and proposed to procure an alternative provider who were appointed in the Spring Term 2024.

The committee oversee the process for review of effective governance on behalf of the Board.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
P Gavin	2	3
P Magnall	3	3
C Mayer	2	3
J Gething (Co-opted)	3	3

The Remuneration Committee is a committee of the main board of trustees. The Committee has met once during the year, its purpose is to consider and advise on:

- the performance of the holders of senior posts as determined by the Board.
- the remuneration, other terms and conditions of the holders of senior posts as determined by the Board.
- the appraisal of the holders of senior posts as determined by the Board.
- the staff development the holders of senior posts as determined by the Board.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
C Freeman	1	1
P Gavin	1	1
M Jones	1	1

Potteries Educational Trust
(A Company Limited by Guarantee)

Governance Statement (continued)

Governance (continued)

The Quality of Education Committee is a committee of the main board of trustees. The Committee has met four times during the year. Its purpose is to assist the board in the discharge of its responsibilities for:

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
H McLachlan from 1 January 2024	2	2
C Freeman	3	4
M Johnstone	4	4
R Johnstone	3	4
M Kent until 31 December 2023	2	2
K Smith	4	4
K Spelman Miller	2	4

Local Governing Body

Each Academy has a Local Governing Body which is a committee of the Trust Board. The constitution, membership and proceedings of the Local Governing Body is determined by the Trust Board and through the Scheme of Delegation. The Trust operates on the basis of subsidiarity and where legally possible decisions are made at Local Governing Body level. The Local Governing Bodies may operate subcommittees as appropriate: Quality of Education and Finance and Resources. The LGB and the subcommittees focus on the detailed scrutiny and holding the executive to account for the relevant academy.

Review of value for money

As Accounting Officer, the Chief Executive Officer has responsibility for ensuring that the 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 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 where appropriate. The accounting officer for the Trust has delivered improved value for money during the year by:

- A trust wide contracts database continues to be further developed and monitored with all Trust members to identify joint procurement opportunities to ensure savings and best value is applied to all future contract purchasing across the Trust.
- Strong procurement support within estates capital projects, and energy contract costs in order to maximise the value for money for our investment

Governance Statement (continued)

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 ongoing process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Potteries Educational Trust for the year 1 September 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks that has been in place for the year 1 September 2023 to 31 August 2024 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 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 and Resources Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

The Board of Trustees has decided to employ Hardings Accountants as internal auditor due to the cost-effective nature of the services offered.

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

- Income
- Lettings

There were no material control issues reported by the internal auditor during the year.

On an annual basis, the internal auditor reports to the Board of Trustees through the Audit and Risk Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and annually prepares a short annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

Governance Statement (continued)

Review of effectiveness

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

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

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

Conclusion

Based on the advice of the audit and risk committee and the accounting officer, the board of trustees is of the opinion that the academy trust has an adequate and effective framework for governance, risk management and control.

Approved by order of the members of the Board of Trustees on 12 December 2024 and signed on their behalf by:

M Jones
Chair of Trustees



H McLachlan
Accounting Officer



Potteries Educational Trust
(A Company Limited by Guarantee)

Statement on Regularity, Propriety and Compliance

As accounting officer of Potteries Educational Trust, I have considered my responsibility to notify the 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 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 2023, including responsibilities for estates safety and management.

I confirm that I and the Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academy Trust Handbook 2023.

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.



H McLachlan
Accounting Officer
Date: 12 December 2024

Potteries Educational Trust
(A Company Limited by Guarantee)

Statement of Trustees' responsibilities
For the Year Ended 31 August 2024

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 2023 to 2024;
- 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:



M Jones
Chair of Trustees
Date: 12 December 2024

Potteries Educational Trust
(A Company Limited by Guarantee)

Independent Auditors' Report on the financial statements to the Members of Potteries Educational Trust

Opinion

We have audited the financial statements of Potteries Educational Trust (the 'trust') for the year ended 31 August 2024 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 2023 to 2024 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 Trust's affairs as at 31 August 2024 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 2023 to 2024 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 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 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.

Potteries Educational Trust
(A Company Limited by Guarantee)

Independent Auditors' Report on the financial statements to the Members of Potteries Educational 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 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 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 Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the 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.

**Independent Auditors' Report on the financial statements to the Members of Potteries Educational Trust
(continued)**

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

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Trust through discussions with directors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Trust, including the financial reporting legislation, Academies Act 2010, Companies Act 2006, Academies Accounts Direction, taxation legislation, anti-bribery, employment, and environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Trust's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Potteries Educational Trust
(A Company Limited by Guarantee)

Independent Auditors' Report on the financial statements to the Members of Potteries Educational Trust
(continued)

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the Trust's legal advisors.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

Potteries Educational Trust
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Independent Auditors' Report on the financial statements to the Members of Potteries Educational Trust
(continued)

Use of our report

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



Simon Hawkins (Senior Statutory Auditor)
for and on behalf of
Dains Audit Limited

Statutory Auditor
Chartered Accountants

Suite 2, Albion House
2 Etruria Office Village
Forge Lane
Etruria
Stoke-on-Trent
ST1 5RQ

12 December 2024

Potteries Educational Trust
(A Company Limited by Guarantee)

**Independent Reporting Accountant's Assurance Report on Regularity to Potteries Educational Trust
and the Education & Skills Funding Agency**

In accordance with the terms of our engagement letter dated 7 October 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2023 to 2024, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Potteries Educational Trust during the year 1 September 2023 to 31 August 2024 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 Potteries Educational Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Potteries Educational 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 Potteries Educational Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Potteries Educational Trust's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Potteries Educational Trust's funding agreement with the Secretary of State for Education dated 26 March 2021 and the Academy Trust Handbook, extant from 1 September 2023, 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 2023 to 2024. 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 2023 to 31 August 2024 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 Trust's income and expenditure.

Potteries Educational Trust
(A Company Limited by Guarantee)

**Independent Reporting Accountant's Assurance Report on Regularity to Potteries Educational 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 2023 to 31 August 2024 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Dains Audit Limited

Suite 2, Albion House
2 Etruria Office Village
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Etruria
Stoke-on-Trent
ST1 5RQ

Date: 12 December 2024

Potteries Educational Trust
(A Company Limited by Guarantee)

Statement of financial activities (Incorporating income and expenditure account)
For the Year Ended 31 August 2024

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:						
Donations and capital grants:	3					
Other donations and capital grants		-	2,138	57,968	60,106	2,693,576
Other trading activities	5	57,419	110,705	-	168,124	142,763
Investments	6	72,307	135,000	-	207,307	45,019
Charitable activities	4	254,123	26,564,916	-	26,819,039	24,684,037
Total income		383,849	26,812,759	57,968	27,254,576	27,565,395
Expenditure on:						
Raising funds		-	-	-	-	5,412
Charitable activities	7	247,984	26,285,193	1,519,504	28,052,681	25,961,136
Total expenditure		247,984	26,285,193	1,519,504	28,052,681	25,966,548
Net income/(expenditure)		135,865	527,566	(1,461,536)	(798,105)	1,598,847
Transfers between funds	21	(253,844)	(319,976)	573,820	-	-
Net movement in funds before other recognised gains/(losses)		(117,979)	207,590	(887,716)	(798,105)	1,598,847
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	29	-	1,589,000	-	1,589,000	2,246,000
Pension surplus not recognised	29	-	(1,620,000)	-	(1,620,000)	(1,480,000)
Net movement in funds		(117,979)	176,590	(887,716)	(829,105)	2,364,847

Potteries Educational Trust
(A Company Limited by Guarantee)

Statement of financial activities (incorporating income and expenditure account) (continued)
For the Year Ended 31 August 2024

	Unrestricted funds 2024 £	Restricted funds 2024 £	Restricted fixed asset fund 2024 £	Total funds 2024 £	Total funds 2023 £
Reconciliation of funds:					
Total funds brought forward	1,519,444	193,876	55,291,839	57,005,159	54,640,312
Net movement in funds	(117,979)	176,590	(887,716)	(829,105)	2,364,847
Total funds carried forward	1,401,465	370,466	54,404,123	56,176,054	57,005,159

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

The notes on pages 37 to 74 form part of these financial statements.

Potteries Educational Trust
(A Company Limited by Guarantee)
Registered number: 10647453

Balance Sheet
As at 31 August 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	14	54,318,876	54,830,582
		<u>54,318,876</u>	<u>54,830,582</u>
Current assets			
Stocks	15	36,824	52,970
Debtors	16	990,691	1,304,498
Investments	17	2,070,390	1,907,549
Cash at bank and in hand	26	1,294,228	2,462,123
		<u>4,392,133</u>	<u>5,727,140</u>
Creditors: amounts falling due within one year	18	(2,180,011)	(2,937,171)
Net current assets		<u>2,212,122</u>	<u>2,789,969</u>
Total assets less current liabilities		<u>56,530,998</u>	<u>57,620,551</u>
Creditors: amounts falling due after more than one year	19	(192,839)	(93,956)
Provisions for liabilities	20	(162,105)	(162,436)
Net assets excluding pension asset / liability		<u>56,176,054</u>	<u>57,364,159</u>
Defined benefit pension scheme asset / liability	29	-	(359,000)
Total net assets		<u><u>56,176,054</u></u>	<u><u>57,005,159</u></u>

Potteries Educational Trust
(A Company Limited by Guarantee)
Registered number: 10647453

Balance Sheet (continued)
As at 31 August 2024

	Note	2024 £	2023 £
Funds of the Trust			
Restricted funds:			
Fixed asset funds	21	54,404,123	55,291,839
Restricted income funds	21	370,466	552,876
Restricted funds excluding pension asset	21	54,774,589	55,844,715
Pension reserve	21	-	(359,000)
Total restricted funds	21	54,774,589	55,485,715
Unrestricted income funds	21	1,401,465	1,519,444
Total funds		56,176,054	57,005,159

The financial statements on pages 32 to 74 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

M Jones
Chair of Trustees
Date: 12 December 2024



The notes on pages 37 to 74 form part of these financial statements.

Potteries Educational Trust
(A Company Limited by Guarantee)

Statement of Cash Flows
For the Year Ended 31 August 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	23	(658,223)	40,015
Cash flows from investing activities	25	(618,637)	180,305
Cash flows from financing activities	24	108,965	9,401
Change in cash and cash equivalents in the year		(1,167,895)	229,721
Cash and cash equivalents at the beginning of the year		2,462,123	2,232,402
Cash and cash equivalents at the end of the year	26, 27	<u>1,294,228</u>	<u>2,462,123</u>

The notes on pages 37 to 74 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 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 2023 to 2024 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 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 Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the 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 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 Trust has provided the goods or services.

• **Donated fixed assets (excluding transfers on conversion or into the Trust)**

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as 'Income from Donations and Capital Grants' and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Trust's accounting policies.

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.

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets

Assets costing £1,000 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:

1. Accounting policies (continued)

1.5 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

Freehold property	- 2% straight line
Long-term leasehold property	- Over the life of the lease
Furniture and equipment	- 12.5% straight line
Office equipment	- 12.5 to 25% 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.

1.6 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.

1.7 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.

1.8 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.

1.9 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 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)

1.10 Provisions

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

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

1.11 Financial instruments

The Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the 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 18 and 19. 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.

1.12 Taxation

The 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 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)

1.13 Pensions

Retirement benefits to employees of the 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 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 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.

1.14 Operating leases

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

1.15 Fund accounting

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

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 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.

Local Government Pension Scheme

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 29, 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 2024. 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.

Land and Buildings Valuation

The freehold land and buildings within the accounts relates to the academy premises which were donated to the Academy Trust on conversion. The land and buildings were valued using an independent valuer. These are being depreciated in accordance with the depreciation policies set out in note 1.

LGPS surplus recognition

An entity shall 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. The trust are expected to participate in the LGPS indefinitely and therefore do not believe there is any entitlement to a refund. The trust has also instructed the pension actuary to calculate an asset ceiling report to calculate the estimated economic benefit available as a reduction in future contributions, which shows a £Nil value. Management have therefore derecognised the total pension surplus of £4,437,000, which has resulted in the movement in surplus of £1,620,000 to be derecognised in the year.

Potteries Educational Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2024

3. Income from donations and capital grants

	Unrestricted funds 2024 £	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £	Total funds 2023 £
Donations	-	2,138	-	2,138	8,522
Capital Grants	-	-	57,968	57,968	2,685,054
	-	2,138	57,968	60,106	2,693,576
Total 2023	2,050	6,472	2,685,054	2,693,576	

Potteries Educational Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2024

4. Funding for the Trust's charitable activities

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Educational Operations				
DfE/ESFA grants				
General Annual Grant (GAG)	-	10,327,770	10,327,770	9,837,890
Other DfE/ESFA grants				
Sixth Form Funding	-	10,466,377	10,466,377	10,508,125
Pupil Premium	-	372,974	372,974	321,750
Universal Infant Free School Meals	-	50,100	50,100	70,517
Rates Reclaim	-	84,375	84,375	94,609
Teachers Pay Grant	-	99,725	99,725	2,573
Teachers Pension Grant	-	553,746	553,746	390,853
Other DfE/ESFA Grants	-	1,572,825	1,572,825	691,222
	-	23,527,892	23,527,892	21,917,539
Other Government grants				
SEN Funding	-	556,590	556,590	420,153
Other Government Grants	-	276,123	276,123	330,950
	-	832,713	832,713	751,103
Other income from the Trust's educational operations	254,123	2,029,931	2,284,054	1,849,862
COVID-19 additional funding (DfE/ESFA)				
Covid Recovery Premium	-	37,111	37,111	58,705
Covid Tuition Fund	-	137,269	137,269	106,828
	-	174,380	174,380	165,533
	254,123	26,564,916	26,819,039	24,684,037
Total 2023	255,567	24,428,470	24,684,037	

Potteries Educational Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2024

5. Income from other trading activities

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Hire of Facilities	57,419	-	57,419	61,079
Other Income	-	110,705	110,705	81,684
	<u>57,419</u>	<u>110,705</u>	<u>168,124</u>	<u>142,763</u>
Total 2023	<u>61,079</u>	<u>81,684</u>	<u>142,763</u>	

6. Investment income

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Investment Income	72,307	-	72,307	36,019
Pension income	-	135,000	135,000	9,000
	<u>72,307</u>	<u>135,000</u>	<u>207,307</u>	<u>45,019</u>
Total 2023	<u>36,019</u>	<u>9,000</u>	<u>45,019</u>	

Potteries Educational Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2024

7. Expenditure

	Staff Costs 2024 £	Premises 2024 £	Other 2024 £	Total 2024 £	Total 2023 £
Expenditure on fundraising trading activities:					
Direct costs	-	-	-	-	5,412
Educational Operations:					
Direct costs	16,528,668	-	3,758,031	20,286,699	18,126,432
Allocated support costs	3,388,968	1,557,846	2,819,168	7,765,982	7,834,704
	<u>19,917,636</u>	<u>1,557,846</u>	<u>6,577,199</u>	<u>28,052,681</u>	<u>25,966,548</u>
Total 2023	<u>19,333,542</u>	<u>1,644,672</u>	<u>4,988,334</u>	<u>25,966,548</u>	

Potteries Educational Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2024

8. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £	Total funds 2023 £
Educational Operations	20,286,699	7,765,982	28,052,681	25,961,136
Total 2023	18,126,432	7,834,704	25,961,136	

Analysis of direct costs

	Total funds 2024 £	Total funds 2023 £
Staff costs	16,528,668	15,500,908
Educational supplies	252,579	353,417
Examination fees	528,956	490,793
Staff development and other staff costs	43,003	68,551
Technology costs	419,307	340,223
Educational consultancy	165,553	114,398
Other costs	2,240,400	1,144,895
Staff related insurance	-	7,602
Recruitment and other staff expenses	108,233	105,645
	20,286,699	18,126,432

Potteries Educational Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2024

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2024 £	Total funds 2023 £
Staff costs	3,388,968	3,832,635
Depreciation	1,519,504	1,290,685
Catering	494,651	228,712
Staff training and development	91,791	74,103
Consultancy	48,522	118,451
Other support costs	265,937	277,773
Building maintenance	246,236	358,176
Cleaning and caretaking	294,682	229,766
Rates	82,646	95,592
Energy costs	869,042	928,186
Legal and professional	207,681	176,138
Transport costs	75,757	106,464
Pension costs	12,698	(18,706)
Other premises costs	147,886	128,544
Governance costs	19,981	8,185
	<u>7,765,982</u>	<u>7,834,704</u>

Potteries Educational Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2024

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2024	2023
	£	£
Operating lease rentals	25,192	23,885
Depreciation of tangible fixed assets	1,519,111	1,293,978
Fees paid to auditors for:		
- audit	20,500	16,450
- other services	2,295	1,860
	<u>20,795</u>	<u>18,310</u>

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2024	2023
	£	£
Wages and salaries	14,722,721	14,300,327
Social security costs	1,544,113	1,442,316
Pension costs	3,405,791	3,388,676
	<u>19,672,625</u>	<u>19,131,319</u>
Agency staff costs	245,011	175,344
Staff restructuring costs	-	26,879
	<u>245,011</u>	<u>202,223</u>
	<u>19,917,636</u>	<u>19,333,542</u>

Staff restructuring costs comprise:

	2024	2023
	£	£
Redundancy payments	-	20,592
Severance payments	-	6,287
	<u>-</u>	<u>26,879</u>

Potteries Educational Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2024

10. Staff (continued)

b. Severance payments

The Trust paid no severance payments in the year (2023 - 1), disclosed in the following bands:

	2024 No.	2023 No.
£0 - £25,000	-	1

c. Special staff severance payments

Included in staff restructuring costs are special severance payments totalling £nil (2023: £6,287).

d. Staff numbers

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

	2024 No.	2023 No.
Teachers	190	209
Administration and support	205	196
Management	20	20
	<u>415</u>	<u>425</u>

e. Higher paid staff

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

	2024 No.	2023 No.
In the band £60,001 - £70,000	8	10
In the band £70,001 - £80,000	7	5
In the band £80,001 - £90,000	2	4
In the band £90,001 - £100,000	3	-
In the band £100,001 - £110,000	1	-
In the band £120,001 - £130,000	-	1

Potteries Educational Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2024

10. Staff (continued)

f. Key management personnel

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Trust was £783,416 (2023 - £772,017).

11. Central services

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

- Educational Support
- Trust CPD
- Financial Management
- Audit Services
- Financial Software
- Payroll
- Human Resources
- Employee Assistance Programme
- Governance services
- Data Protection Officer services
- Estates
- ICT Network services
- Data Management

The Trust charges for these services on the following basis:

The Trust charges for these services based on 3.5% of GAG income.

The actual amounts charged during the year were as follows:

	2024	2023
	£	£
City of Stoke-On-Trent Sixth Form College	334,056	305,130
Biddulph High School	165,773	96,511
Moorside High School	168,082	98,720
Werrington Primary School	66,251	38,751
Total	734,162	539,112

Potteries Educational Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2024

12. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the 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:

		2024	2023
		£	£
M Kent, Chief Executive (resigned 31 December 2023)	Remuneration	45,000 - 50,000	120,000 - 125,000
	Pension contributions paid	5,000 - 10,000	25,000 - 30,000
H McLachlan (appointed 1 January 2024)	Remuneration	80,000 - 85,000	N/A
	Pension contributions paid	20,000 - 25,000	N/A

During the year ended 31 August 2024, no Trustee expenses have been incurred (2023 - £NIL).

13. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000 on any one claim. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme membership.

Potterles Educational Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2024

14. Tangible fixed assets

	Freehold property £	Long-term leasehold property £	Furniture and equipment £	Plant and machinery £	Assets under construction £	Total £
Cost or valuation						
At 1 September 2023	29,961,637	28,239,888	430,357	1,150,891	1,367,253	61,150,026
Additions	121,831	266,917	-	184,436	434,763	1,007,947
Disposals	-	-	-	(3,838)	-	(3,838)
Transfers between classes	-	1,760,601	-	33,729	(1,794,330)	-
At 31 August 2024	30,083,468	30,267,406	430,357	1,365,218	7,686	62,154,135
Depreciation						
At 1 September 2023	2,968,809	2,590,740	84,730	675,165	-	6,319,444
Charge for the year	570,133	711,256	53,085	184,637	-	1,519,111
On disposals	-	-	-	(3,296)	-	(3,296)
At 31 August 2024	3,538,942	3,301,996	137,815	856,506	-	7,835,259

Potteries Educational Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2024

14. Tangible fixed assets (continued)

	Freehold property £	Long-term leasehold property £	Furniture and equipment £	Plant and machinery £	Assets under construction £	Total £
Net book value						
At 31 August 2024	<u>26,544,526</u>	<u>26,965,410</u>	<u>292,542</u>	<u>508,712</u>	<u>7,686</u>	<u>54,318,876</u>
At 31 August 2023	<u>26,992,828</u>	<u>25,649,148</u>	<u>345,627</u>	<u>475,726</u>	<u>1,367,253</u>	<u>54,830,582</u>

Potteries Educational Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2024

15. Stocks

	2024	2023
	£	£
First Bus Tickets	36,824	52,970

16. Debtors

	2024	2023
	£	£
Due within one year		
Trade debtors	137,754	87,771
Other debtors	136,024	130,368
Prepayments and accrued income	523,720	727,488
VAT recoverable	193,193	358,872
	<u>990,691</u>	<u>1,304,498</u>

17. Current asset investments

	2024	2023
	£	£
Long term interest accounts	<u>2,070,390</u>	<u>1,907,549</u>

Potteries Educational Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2024

18. Creditors: Amounts falling due within one year

	2024	2023
	£	£
Other loans	28,835	18,753
Trade creditors	533,666	816,199
Other taxation and social security	330,301	326,246
Other creditors	501,171	421,672
Accruals and deferred income	786,038	1,354,301
	<u>2,180,011</u>	<u>2,937,171</u>
	2024	2023
	£	£
Deferred income at 1 September 2023	762,111	1,025,590
Resources deferred during the year	512,178	762,111
Amounts released from previous periods	(762,111)	(1,025,590)
	<u>512,178</u>	<u>762,111</u>

The deferred income is made up of the following:

£512,178 (2023: £762,111) relates to DfE/ESFA grants in advance and funds received in relation to trips.

Included in other loans are salix loans totalling £28,835 which are interest free loans repayable in fixed installments over 8-10 years, starting January 2019.

19. Creditors: Amounts falling due after more than one year

	2024	2023
	£	£
Other loans	<u>192,839</u>	<u>93,956</u>

Included in other loans are salix loans totalling £192,839 (2023: £93,956) which are interest free loans repayable in fixed installments over 8-10 years, starting January 2019.

Potteries Educational Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2024

20. Provisions

	Enhanced pensions £
At 1 September 2023	162,436
Amounts used	(331)
	<hr/>
	162,105 <hr/> <hr/>

The enhanced pension provision relates to the cost of staff who already left the Trust's employment and commitments for reorganisation costs from which the academy cannot reasonably withdraw at the balance sheet date. The provision has been recalculated in accordance with guidance issued by the funding bodies.

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Notes to the Financial Statements
For the Year Ended 31 August 2024

21. Statement of funds

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2024 £
Unrestricted funds						
General Funds	1,519,444	383,849	(247,984)	(253,844)	-	1,401,465
Restricted general funds						
General Annual Grant (GAG)	173,461	10,327,770	(10,343,122)	(372,256)	-	(214,147)
Sixth Form Funding	541,851	10,466,377	(10,313,790)	52,280	-	746,718
Pupil Premium	-	372,974	(372,974)	-	-	-
Universal infant free school meals	-	50,100	(50,100)	-	-	-
Rates Reclaim	-	84,375	(84,375)	-	-	-
Teachers Pay Grant	-	99,725	(99,725)	-	-	-
Teachers Pension Grant	-	553,746	(553,746)	-	-	-
Other DfE/ESFA Grants	-	1,572,825	(1,572,825)	-	-	-
Other Government Grant	-	832,713	(832,713)	-	-	-
Covid Recovery	-	37,111	(37,111)	-	-	-
Covid Tuition Fund	-	157,269	(137,269)	-	-	-
Other Income/Donatio ns	-	2,142,774	(2,142,774)	-	-	-
Enhanced Pension Provision	(162,436)	-	331	-	-	(162,105)
Pension reserve	(359,000)	135,000	255,000	-	(31,000)	-

21. Statement of funds (continued)

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

Unrestricted General Funds

This fund represents those resources which may be used towards meeting any of the charitable objects of the Trust at the discretion of the trustees.

Restricted General Funds

This fund represents grants received for the Trust's operational activities and development.

Pension Reserve

This fund represents the Trust's share of the pension liability arising on the LGPS pension fund.

Restricted Fixed Asset Fund

This fund relates to grant funding received by the ESFA to carry out works of a capital nature and also the donation of leasehold land, buildings and playing fields from the local authority on a 125 year lease and a small amount of capital expenditure from GAG and other sources of income.

Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2024.

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Notes to the Financial Statements
For the Year Ended 31 August 2024

21. Statement of funds (continued)

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

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
General Funds	1,416,698	354,714	(251,968)	-	-	1,519,444
Restricted general funds						
General Annual Grant (GAG)	176,762	9,837,890	(9,725,421)	(115,770)	-	173,461
Sixth Form Funding	771,539	10,508,146	(10,508,146)	(229,688)	-	541,851
Pupil Premium	-	321,750	(321,750)	-	-	-
Universal infant free school meals	-	70,517	(70,517)	-	-	-
Rates Reclaim	-	94,609	(94,609)	-	-	-
Teachers Pay Grant	-	2,573	(2,573)	-	-	-
Teachers Pension Grant	-	390,853	(390,853)	-	-	-
Other DfE/ESFA Grants	-	678,583	(678,583)	-	-	-
Other Government Grant	-	751,103	(751,103)	-	-	-
Covid Recovery	-	58,705	(58,705)	-	-	-
Covid Tuition Fund	-	106,828	(106,828)	-	-	-
Other Income/Donatio ns	-	1,704,071	(1,704,071)	-	-	-
Enhanced Pension Provision	(191,698)	-	29,262	-	-	(162,436)
Pension reserve	(1,085,000)	-	(40,000)	-	766,000	(359,000)

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Notes to the Financial Statements
For the Year Ended 31 August 2024

21. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2024 were allocated as follows:

	2024 £	2023 £
City of Stoke-on-Trent Sixth Form College	1,372,454	1,432,527
Biddulph High School	(487,251)	(471,048)
Moorside High School	50,298	294,980
Werrington Primary School	632,675	623,552
Central	203,755	192,309
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	1,771,931	2,072,320
Restricted fixed asset fund	54,404,123	55,291,839
Pension reserve	-	(359,000)
	<hr/>	<hr/>
Total	56,176,054	57,005,159
	<hr/> <hr/>	<hr/> <hr/>

The following academy is carrying a net deficit on its portion of the funds as follows:

	Deficit £
Biddulph High School	(487,251)
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The Trust is taking the following action to return the academy to surplus:

The Trust Central Services team continues to work in conjunction with leaders from Biddulph High School on a seven-year financial recovery plan through to the 2030-31 year when it is expected the school will have returned to a cumulative surplus position. This also takes into consideration the revisions needed for the high inflationary factors linked to staff pay, energy costs and other non-staffing expenditure areas. All parties continue to be fully invested in the recovery process.

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Notes to the Financial Statements
For the Year Ended 31 August 2024

21. 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 2024 £	Total 2023 £
City of Stoke-on-Trent Sixth Form College	6,865,340	1,440,318	41,303	2,588,845	10,935,806	10,480,371
Biddulph High School	3,803,862	883,713	78,765	983,135	5,749,475	5,653,442
Moorside High School	3,726,995	682,114	87,221	1,132,306	5,628,636	5,260,989
Werrington Primary School	1,734,764	179,574	44,777	421,791	2,380,906	2,197,489
Central services	397,707	458,249	513	1,236,884	2,093,353	1,034,573
Trust	16,528,668	3,643,968	252,579	6,362,961	26,788,176	24,626,864

Unallocated amounts of £255,000 (2023 - £49,000) relates to LGPS pension movements.

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Notes to the Financial Statements
For the Year Ended 31 August 2024

22. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £
Tangible fixed assets	(1)	-	54,318,877	54,318,876
Current assets	1,570,345	2,736,542	85,246	4,392,133
Creditors due within one year	(46,326)	(2,133,685)	-	(2,180,011)
Creditors due in more than one year	(122,553)	(70,286)	-	(192,839)
Provisions for liabilities and charges	-	(162,105)	-	(162,105)
Total	1,401,465	370,466	54,404,123	56,176,054

Analysis of net assets between funds - prior year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	54,830,582	54,830,582
Current assets	1,532,084	3,733,799	461,257	5,727,140
Creditors due within one year	(12,640)	(2,924,531)	-	(2,937,171)
Creditors due in more than one year	-	(93,956)	-	(93,956)
Provisions for liabilities and charges	-	(521,436)	-	(521,436)
Total	1,519,444	193,876	55,291,839	57,005,159

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Notes to the Financial Statements
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23. Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2024 £	2023 £
Net (expenditure)/income for the period (as per Statement of Financial Activities)	(798,105)	1,598,847
Adjustments for:		
Depreciation	1,519,111	1,293,978
Capital grants from DfE and other capital income	(57,968)	(2,685,054)
Interest receivable	(72,307)	(36,018)
Defined benefit pension scheme cost less contributions payable	(255,000)	49,000
Defined benefit pension scheme finance cost	(135,000)	(9,000)
Decrease in stocks	16,146	2,626
(Increase)/decrease in debtors	(108,069)	7,990
Decrease in creditors	(767,242)	(163,648)
Increase / (decrease) in provisions	(331)	(18,706)
Loss on Disposal	542	-
Net cash (used in)/provided by operating activities	(658,223)	40,015

24. Cash flows from financing activities

	2024 £	2023 £
Cash inflows from new borrowing	136,170	34,640
Repayments of borrowing	(27,205)	(25,239)
Net cash provided by financing activities	108,965	9,401

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25. Cash flows from investing activities

	2024	2023
	£	£
Dividends, interest and rents from investments	72,307	36,018
Purchase of tangible fixed assets	(1,007,947)	(4,334,300)
Purchase of investments	(162,841)	275,400
Capital grants from DfE Group	479,844	4,203,187
Net cash (used in)/provided by investing activities	(618,637)	180,305

26. Analysis of cash and cash equivalents

	2024	2023
	£	£
Cash in hand and at bank	1,294,228	2,462,123
Total cash and cash equivalents	1,294,228	2,462,123

27. Analysis of changes in net debt

	At 1 September 2023	Cash flows	Other non- cash changes	At 31 August 2024
	£	£	£	£
Cash at bank and in hand	2,462,123	(1,167,895)	-	1,294,228
Debt due within 1 year	(18,753)	27,205	(37,287)	(28,835)
Debt due after 1 year	(93,956)	(136,170)	37,287	(192,839)
	2,349,414	(1,276,860)	-	1,072,554

28. Capital commitments

	2024	2023
	£	£
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	-	587,721
	<u> </u>	<u> </u>

29. Pension commitments

The 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 Staffordshire Pension Fund. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £423,249 were payable to the schemes at 31 August 2024 (2023 - £366,194) and are included within creditors.

Teachers' Pension Scheme

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

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

29. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to ensure scheme costs are recognised and managed appropriately and the review specifies 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 27 October 2023, with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI. The key elements of the valuation outcome are:

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy). This is an increase of 5% in employer contributions and the cost control result is such that no change in member benefits is needed.
- Total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million.

The next valuation result is due to be implemented from 1 April 2028.

The employer's pension costs paid to TPS in the year amounted to £2,521,386 (2023 - £2,253,003).

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>).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy trust is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the academy trust has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above, the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2024 was £1,547,000 (2023 - £1,339,000), of which employer's contributions totalled £1,248,000 (2023 - £1,075,000) and employees' contributions totalled £299,000 (2023 - £264,000). The agreed contribution rates for future years are 26.2 per cent for employers and 5.5-12.5 per cent for employees.

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 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on [GOV.UK](https://www.gov.uk).

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Notes to the Financial Statements
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29. Pension commitments (continued)

Principal actuarial assumptions

	2024	2023
	%	%
Rate of increase in salaries	3.15	3.5
Rate of increase for pensions in payment/inflation	2.65	3.0
Discount rate for scheme liabilities	5	5.2
Inflation assumption (CPI)	2.65	3.0

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

	2024	2023
	Years	Years
Retiring today		
Males	18.3-21.4	18.4-21.5
Females	23.6-24.2	23.7-24.2
Retiring in 20 years		
Males	19.7-20.6	19.8-20.7
Females	24.7-25.2	24.8-25.3

Sensitivity analysis

	2024	2023
	£000	£000
Discount rate +0.1%	(402,000)	(368,000)
Discount rate -0.1%	402,000	368,000
Mortality assumption - 1 year increase	708,000	648,000
Mortality assumption - 1 year decrease	(708,000)	(648,000)
CPI rate +0.1%	392,000	331,000
CPI rate -0.1%	(392,000)	(331,000)
Salary increase +0.1%	19,000	46,000
Salary increase -0.1%	(19,000)	(46,000)

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29. Pension commitments (continued)

Share of scheme assets

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

	At 31 August 2024 £	At 31 August 2023 £
Equities	14,164,000	12,510,000
Corporate bonds	5,975,000	4,294,000
Property	1,549,000	1,494,000
Cash and other liquid assets	443,000	373,000
Total market value of assets	22,131,000	18,671,000

The actual return on scheme assets was £2,601,000 (2023 - £747,000).

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

	2024 £	2023 £
Current service cost	(993,000)	(1,038,000)
Interest income	997,000	757,000
Interest cost	(862,000)	(748,000)
Total amount recognised in the Statement of Financial Activities	(858,000)	(1,029,000)

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

	2024 £	2023 £
At 1 September	16,213,000	17,159,000
Current service cost	993,000	1,038,000
Interest cost	862,000	748,000
Employee contributions	299,000	233,000
Actuarial gains	(131,000)	(2,606,000)
Benefits paid	(542,000)	(359,000)
At 31 August	17,694,000	16,213,000

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29. Pension commitments (continued)

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

	2024 £	2023 £
At 1 September	15,854,000	16,074,000
Interest income	997,000	757,000
Actuarial gains/(losses)	1,458,000	(360,000)
Employer contributions	1,248,000	989,000
Employee contributions	299,000	233,000
Benefits paid	(542,000)	(359,000)
Pension surplus not recognised	(1,620,000)	(1,480,000)
	<u>17,694,000</u>	<u>15,854,000</u>

As at 31 August 2024, the Trust had derecognised pension assets totalling £4,437,000.

30. Operating lease commitments

At 31 August 2024 the Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024 £	2023 £
Not later than 1 year	52,162	9,100
Later than 1 year and not later than 5 years	51,335	-
	<u>103,497</u>	<u>9,100</u>

31. 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.

32. Related party transactions

Owing to the nature of the 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 Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

No related party transactions, other than Trustees' remuneration and expenses are already disclosed in note 12, have occurred during the year.

33. Agency arrangements

The Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the financial year ended 31 August 2024 the trust received £387,057 and disbursed £358,072 from the fund. An amount of £28,985 is included in other creditors relating to undistributed funds that is being carried forward for distribution in 2024/25.