

Company Registration Number: 11474011 (England & Wales)

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details	1 - 2
Governors' Report	3 - 14
Governance Statement	15 - 17
Statement on Regularity, Propriety and Compliance	18
Statement of Governors' Responsibilities	19
Independent Auditors' Report on the Financial Statements	20 - 22
Independent Reporting Accountant's Report on Regularity	23 - 24
Statement of Financial Activities Incorporating Income and Expenditure Account	25 - 26
Balance Sheet	27
Statement of Cash Flows	28
Notes to the Financial Statements	29 - 54

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members

P Carey
K Steven
M Parker (resigned 1 January 2020)
C Herron

Governors

K Steven^{1,2}
J Armstrong, Chief Executive^{1,2}
E Avison²
H Beckwith²
H Brown¹
M Colley²
H Herron¹
J Hughes²

¹ Finance and Audit Committee
² Trust Improvement Committee

Company registered number

11474011

Company name

Prince Regent Street Trust

Principal and registered office

Hartburn Primary School
Adelaide Grove
Stockton-On-Tees
TS18 5BS

Senior management team

J Armstrong, CEO
C Park, Head Teacher
C Haycock, Head Teacher

Independent auditors

Clive Owen LLP
Chartered Accountants
Statutory Auditors
140 Coniscliffe Road
Darlington
Co Durham
DL3 7RT

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Bankers

Lloyds Bank Plc
83/85 Linthorpe Road
Middlesbrough
TS1 5BU

Solicitors

Browne Jacobson
Mowbray House
Castle Meadow Road
Nottingham
NG2 1BJ

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

The Governors present their annual report together with the financial statements and auditors' report of the charitable company for the period 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a Governors' report and a directors' report under company law.

The Prince Regent Street Trust is a group of local primary schools in North East England. Founded on the Principles of the Primary Curriculum, the Prince Regent Street Trust is a group of three local good/outstanding primary schools with a common purpose. Its academies have a combined pupil roll of 928 in the school census on 1 October 2020.

Structure, governance and management

Constitution

The Academy Trust is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum of Association is the primary governing document of the Academy Trust.

The Governors of Prince Regent Street Trust are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Prince Regent Street Trust .

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

During the COVID 19 lockdown and restrictions, the Governors continued to hold all meetings remotely. The CEO updated the Chair of Governors on a regular basis on the measures that had been taken during the lockdown. The Finance Director continued to provide monthly accounts to the Chair of Governors and management accounts information to the Governors.

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.

Governor's' Indemnities

The Academy Trust has purchased insurance RPA to protect Directors from claims arising against negligent acts, error or omissions occurring whilst on academy trust business. Further details are provided in note 13.

Method of Recruitment and Appointment or Election of Governors

The original members of the Academy Trust, as named in the incorporation documents are the signatories to the funding agreement between the academy trust and the Secretary of State. The Members appoint a minimum of 9 Directors including the CEO. The Secretary of State may, in special circumstances appoint such additional trustees as they feel fit. To date there have been no such additions. Future Directors shall be appointed or elected, as the case may be, under these articles, the total number of trustees who are employees of the academy trust shall not exceed one third of the total number of trustees. Subject to remaining eligible to be a particular type of Director, any Director may be re-appointed or re-elected.

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

Policies Adopted for the Induction and Training of Governors

We recognise the positive contribution that Governors can make to our organisation, when they have the commitment training and are given opportunity to do so. We therefore aim to attract and retain Directors who have the experience, skills and desire to make a difference to their local community. The induction and training of new Governors will be managed by the Chair of the Board of Governors. Training will be purchased from AVEC, Governor services at Stockton BC, membership of the National Governors Association and bespoke in-house training from external providers.

Organisational structure

On 1 October 2018, on conversion to MAT status, the Board of Governors was established. It was decided that each school will also have a LGB. A LGB has been established at Hartburn Primary School, Village Primary School and Wolviston Primary School.

In addition to these LGBs, the Governors can form separate sub committees and challenge groups to consider academic progress, resources, health and safety, audit, finance and resources, discipline and appeals. The committee terms of reference are set out in our Governance Handbook, and scheme of delegation and reviewed annually. The annual budget is submitted to the Governors for approval, prior to submission to the Education and Skills Funding Agency (ESFA), and the Board of Governors also receives regular reports on academy trust spend via the Finance and Resources Committee.

Day to day responsibility for operating the academy trust has been delegated to the CEO who manages the academy trust and implements policies approved by the Governors. The CEO fulfils the role of Accounting Officer and their responsibilities, together with an explanation of other additional delegated authorities includes:

- Staffing
 - Chair the Executive Head Teacher Board.

- Finance
 - Responsible for the line management of all central services including the management of the Head of Finance and Operations.
 - Ensure compliance with the requirements of the Master Funding Agreement and Supplement Funding Agreements of the academy trust.
 - As the Accounting Officer for the academy trust, be personally responsible for the propriety and regularity of the public finances within the academy trust.
 - Ensure compliance with the academy trust Scheme of Delegation.

- Risk Management
 - Risk management has been incorporated into the agenda for the audit committee.
 - Executive Head Teacher (EHT) meetings are timetabled to update and identify the risk / potential risk against a probability scale with identify preventative and resilience measures. Risks to the academy trust have been identified in the Trust risk register with appropriate actions identified to limit impact to the organisation.

- Engagement with other stakeholders
 - To promote the ethos and vision of the Prince Regent Street Trust and to present it to a wide range of audiences.
 - Be the main point of contact for the Local Authority, EFSA, DfE and other key bodies in respect of all aspects of the academy trust.

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The pay and remuneration of the CEO/ Executive team is decided by the Trust board. The trust has delegated responsibility to Local Governing Bodies for other teachers and non-teaching staff having regard to the national framework and School Teacher's Pay and Conditions Document, taking into account the extent to which they have achieved their appraisal targets and objectives.

Trade union facility time

In line with the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, the Trust can confirm that over the accounting period it had no employees who were union officials. The Academy Trust complies with the regulations through a union agreement made available to the Academy Trust through the Local Authority.

Related parties and other connected charities and organisations

All Members and Trustees are required to declare any business interests that may impact on the Academy Trust. Details of transactions with Related Parties during the reporting period are in note 24 to the Financial Statements.

Objectives and Activities

Objects and Aims

The Prince Regent Street Trust is fundamentally one of sustainable school improvement. All three schools are good and outstanding, yet are very different in so many ways. We feel that having such a variety of different sizes and school make ups will enhance our capacity to support and develop other schools joining the academy trust. We have a very successful primary ethos, which enables all children to maximise their potential. We strongly believe that every child has the right to the highest quality Education. Successful schools and their leaders hold the responsibility to work alongside other schools to support improvement. Leaders have a collective responsibility for improving the whole system for mutual benefit. The Prince Regent Street Trust is committed to highly effective working partnerships with school leaders, colleagues, parents and all other stakeholders.

The principal object and activity of the charitable company is the operation of Prince Regent Street Trust is to provide education for students of primary school age.

In accordance with the articles of association the charitable company has adopted a 'Scheme of Government' approved by the Secretary of State for Education. The Scheme of Government specified, amongst other things, the basis for admitting students to the academy trust, the catchment area from which the students are drawn, and that the curriculums should comply with the substance of the national curriculum.

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and Activities (continued)

Objectives, strategies and activities

The academy trust's main objectives are encompassed in its improvement strategy and commitment which is outlined below including the end objectives and the strategies used to achieve them.

At the heart of our school improvement strategy is a commitment to working in partnership with all our schools, and to support all schools in being self-improving, and to achieve a school-led system in order to promote and secure:

- We have a proven track record of sustained school improvement .
- At least good levels of achievement for all children with many children achieving outstanding outcomes.
- High quality teaching.
- Effective leadership and governance in all schools.
- Access to high quality professional development for staff enabling sustained and continual improvement and developing a workforce in line with future succession planning needs and talent management policies.
- Opportunities for the identification and dissemination of effective practice and engagement in research and development including teacher inquiry.
- Safe schools with fair access.
- Affordability and value for money.

The Board of Directors focused on five key priorities during 2019 - 2020:

1. Progress and Attainment
To regularly scrutinise all school data of all core subjects especially for those from disadvantaged backgrounds in order that clear improvements across all subjects are being made (I. Pollard also feeds back to Board as Trust Data Analyst)
To analyse Academy Trust level data and share with the Board of Governors at Trust Improvement committee
To continue to review all Safeguarding standards in line with any changes to policy in order that they are exemplary across all 3 schools.
2. Collaboration
To expand the remit of the Trust working parties feeding back to the Head Teacher Board and Governors regularly
To continuously look for development opportunities for Trust wide CPD.
3. Financial stability and operational strength through:
To appoint our own CFO/COO to work alongside the CEO
To Comply with the Master Funding Agreement and Financial Handbook.
To mitigate any areas of risk and update Risk register)
4. Leadership and Governance
To further embed the roles and responsibilities of Governors through board meeting discussions/decisions with a focus on Trust accountability and a review of the Strategic Business plan.
To offer further CPD for Board members in line with NGA guidance/ courses
5. MAT stability and future growth
To update Trust Growth plan
To continue with established CEO networks both locally and nationally
To continue the development of relationships with both local and national Multi Academy Trusts.

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and Activities (continued)

Public Benefit

The academy trust's aims and achievements are set out within this report and have been undertaken to further its charitable purposes for the public benefit. The Directors have complied with the duty under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales and the Directors have considered this guidance in deciding what activities the academy trust should undertake.

Strategic Report

Achievements and Performance

Key performance indicators

Based on each schools 2019 data, Academy Trust priorities were identified for 2020. Due to the COVID-19 situation no assessments took place in 2020 therefore it is unfortunately not possible to measure these by outcomes.

Hartburn	Village	Wolviston
At KS2 ensure Science is in line or above national standards	At both EYFS and KS1 to narrow the disadvantaged gap.	EYFS to ensure expected levels are above LA in all strands
At KS2 ensure SPaG results are in line or above national standards.	To put measures in place to ensure more children reach the Y1 phonics threshold bringing school in line with LA.	KS1 ensure Reading, Writing, Maths and Science are all above LA thresholds.
To ensure a focus on phonic resit children and ensure significant progress from their Y1 score.. These results should be at least in line with national comparisons.	KS1 Science to ensure attainment is in line or above LA	To ensure all staff are confident using internal tracking system and can pull off data needed for targeting children.
To ensure that disadvantage pupils progress and attainment outcomes compare favourably with national across the school.	KS2 target boys attainment to narrow the gap in all subjects. In turn this would improve overall levels to be in line or above LA thresholds	
	At KS2 ensure that disadvantaged pupils progress and attainment outcomes compare favourably with the LA/national.	

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic Report (continued)

Achievements and Performance (continued)

Key performance indicators (continued)

Due to unprecedented times of no assessments in 2020, included below are predicted end of year levels for each school which were finalised in February. In brackets are the actual SPRING assessments to show how far on track each school was towards attaining the predictions before assessments were cancelled.

Foundation			
	Hartburn	Village	Wolviston
% GLD	83%	77%	80%
Phonics			
	Hartburn	Village	Wolviston
% Y1 Pass	90%	80%	87%
KS1			
	Hartburn	Village	Wolviston
% Reading EXP +	90% (92%)	66% (68%)	80% (87%)
% Writing EXP +	87% (88%)	66% (64%)	80% (87%)
% Maths EXP +	92% (91%)	70% (64%)	80% (87%)
KS2			
	Hartburn	Village	Wolviston
% Reading EXP +	93% (97%)	75% (82%)	84% (95%)
% Writing EXP +	92% (95%)	75% (67%)	89% (95%)
% Maths EXP +	95% (97%)	71% (78%)	84% (84%)

The results below show the Academy Trusts performance in 2019 against national comparison. Comparison for 2020 is not however possible due to cancellation of assessments however the Academy Trusts predictions for 2020 are included and were all above 2019 national averages.

	Trust 2019	National Comparison 2019	Trust Prediction 2020
Foundation stage %GLD			
	84%	72%	80%
Phonics			
% Y1 Pass	83%	82%	86%
KS1			
% Reading Exp +	79%	75%	79%
% Writing EXP +	80%	69%	78%
% Maths EXP +	79%	76%	81%
KS2			
% Reading Exp +	79%	73%	84%
% Writing EXP +	92%	78%	85%
% Maths EXP +	88%	79%	83%

The Academy Trust works within the guidance of the Academies Financial Handbook to ensure financial propriety, effective and efficient use and deployment of all resources at its disposal. Governors have planned for regular meetings and monthly reports alongside reports provided by the Finance Director. Information will be in a clear concise format with budgetary changes highlighted and commentaries attached, whereby the Academy Trust finances and any potential anomalies would be addressed if required.

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic Report (continued)

Achievements and Performance (continued)

Key performance indicators (continued)

Financial performance indicators include;

- All spending is appropriate and supports the common goal of improving educational outcomes.
- No trustee/governor/employee has benefitted personally from the use of these funds.
- Payroll services fully meet tax obligations.
- There is probity in the use of public funds.
- Competitive tendering is in place.
- Regular reviews of projected and actual student numbers and staffing requirements take place.

Going Concern

After making appropriate enquiries, the Board of Governors has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue 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 accounting policies.

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic Report (continued)

Achievements and Performance (continued)

COVID 19

Due to the exceptional circumstances of COVID-19, the Academy Trust strategic plan was updated in March along with the latest KPI information. The CEO was part of the LA working party discussing all issues with Stockton as decisions were being made. We met as a group weekly.

Governors received information setting out the position for each school including the safeguarding, attendance, provision for vulnerable, SEND and key worker children. Information included detail on finances and health and safety.

Since the official closure date for all schools / academies, all Prince Regent Street Trust Academy schools were open for vulnerable pupils, EHCP students and key worker children. During the Easter holiday, all schools within the Academy Trust continued to operate with a rotating skeleton staff with COVID-19 safe practices in place with attendance figures sent to DfE website daily. Each school had a clear procedure to contact each parent / carer of vulnerable and EHCP students at least weekly. Some are also having daily emails. All local authority returns have been completed.

Home learning was well received by parents and this incorporated a mixture of online platforms and work packs. Staff regularly phoned and contacted children to keep up to date with how they were. We had a large uptake for key worker groups. These all went very smoothly and the children thoroughly enjoyed this time. With these groups, we mainly focused on Maths and English and recovery and support.

With the schools closed to visitors and many external contractors for long periods we were not able to fundraise during the summer term as usual. Also affected income with the wrap around care income unfulfilled as parents and pupils were at isolated / locked down.

All schools have robust safeguarding policies in place and due to COVID-19, all safeguarding and child protection policies were updated with the new procedures being undertaken for vulnerable pupils.

The Department for Education published 'Opening schools and educational settings to more pupils from 1 June' guidance to schools on 11 May. Each primary school sent parents/carers letters regarding the government's intention to re-open schools from 1 June. Parents/carers with children in Nursery, reception, year 1 and year 6 were asked to indicate whether they would be sending their children back to school. Each school developed a clear plan to phase the introduction of children back based on the numbers intending to return, their physical environments, available staff and number of key worker and vulnerable children. All Schools fully met the government's intention to open for all identified year groups. Each school also completed a school-based risk assessment. The CEO visited each setting to check measures were all in place and matched the risk assessments. All risk assessments were sent to Unions and Board of Governors as they were amended in line with the ever changing Government guidance.

Governors received regular updates on student numbers attending, curriculum offer in school, home learning provision, points of success and provisional plans for September reopening.

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic Report (continued)

Achievements and Performance (continued)

COVID 19 PPN02 Notice

In March 20 when the shutdown was announced, the Government published the Procurement Policy Note (PPN) which sets out information and guidance for public bodies on payment of their suppliers to ensure service continuity during and after the current coronavirus, COVID-19, outbreak. As a public sector body, the Academy Trust was obliged to follow this guidance.

The notice included a clause to increase the speed of payments to suppliers. During the closure period, we continued to process invoices as swiftly as possible and the Avec Finance Director ensured that there was no delay to payments due to authorisation of invoices. Academy Trust used the PPN docs and maintained the usual payment schedules throughout the lockdown period.

The Academy Trust also paid for several service renewals such as EWO which as a small local business, were supported despite their lack of access to the Schools and pupils. Academy Trust still utilises a lot of LA services so they were all renewed and paid during lockdown.

No staff were furloughed during the period and no COVID-19 claims were processed as the Schools were not forecasted deficits.

Schools had a to acquire PPE and other health and safety and cleaning equipment by any means which meant due to an increased demand in the supplies we were not always able to get the best value or the pre COVID-19 value for the materials. Budgets based on a return to 'normal' from September however since then the guidance/situation has meant that is not entirely the case, social distancing and parents still on furlough is affecting wraparound income. Also the Schools are still purchasing additional PPE/H&S/cleaning materials in addition to the expected budgets.

Financial review

During the year ended 31 August 2020 total recurrent grant funding from the DfE/ESFA together with other incoming resources was in excess of total expenditure of £4,826,000. The excess of expenditure over income for the year of unrestricted funds and restricted funds (before transfers and actuarial gains, and excluding restricted fixed asset funds) was £118,000. The in-year surplus on restricted general funds plus unrestricted funds but excluding the increase in the pension reserve liability was £88,000.

All of the expenditure shown in the statement of financial activities is in furtherance of the Academy Trust's objectives.

The academy held fund balances at 31 August 2020 of £8,730,000 comprising £8,289,000 restricted funds, including £1,673,000 deficit on the pension reserves, and £441,000 of unrestricted funds. The total of restricted general funds, excluding pension reserves, plus unrestricted funds as at 31 August 2020 was £455,000.

At 31 August 2020 the net book value of fixed assets was £9,948,000 and movements in tangible fixed assets are shown in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the students of the Academy Trust.

Most of the Academy Trust's income is obtained from the Department for Education (DfE) via the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE/ESFA during the year ended 31 August 2020 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The Academy Trust also receives grants for fixed assets from the DfE/ESFA. In accordance with the Charities Statement of Recommended Practice (FRS102), such grants are shown in the statement of financial activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic Report (continued)

Financial review (continued)

depreciation charges over the expected useful life of the assets concerned.

The provisions of Financial Reporting Standard (FRS) 102 relating to 'Retirement Benefits' have been applied in full, resulting in a deficit of £1,673,000 recognised on the balance sheet.

Reserves Policy

The Academy Trust holds restricted and unrestricted funds. (The attached financial statements details these funds). The level of reserves is reviewed by the Directors regularly throughout the year. The minimum level of reserves for the ongoing needs of the Academy Trust is reviewed by the Directors on an annual basis. The Directors consider it prudent to hold unrestricted reserves in the general fund in the form of free reserves (total funds less the amount held in fixed assets and restricted funds) of the equivalent of 4 weeks expenditure which currently equates to around of £400,000.

The Academy Trust's level of free reserves (unrestricted and restricted funds excluding pension reserve and restricted fixed asset) at 31 August 2020 are £455,000. The Directors believe that the level of reserves held by the academy trust as at 31 August 2020 is sufficient to meet the Reserves Policy.

As the academy trust continues to grow the reserves policy will continue to be monitored and reviewed.

Investment Policy

The Academy Trust does not hold investments other than Cash at Bank. Governors are firmly committed to ensuring that all funds under their control are administered in such a way as to maximise return while minimising risk. Governors do not consider the investment of surplus funds as a primary activity, but rather a requirement for the effective management of the various funds entrusted to the Board of Governors.

The Academy Trust aims to manage its cash balances to provide for the day to day working capital requirements of its operation, whilst protecting the real long-term value of any surplus cash balances against inflation. During this accounting period the Academy Trust has not adopted any investment

The Academy Trust will operate an interest bearing current account with a bank approved by the Board of Governors (currently Lloyds Bank) and maintain sufficient balances to ensure there are adequate liquid funds to cover all immediate and forthcoming financial commitments, including maintaining a sufficient contingency for unexpected payments. Monies surplus to the working requirements shall be invested in term deposits with the current banker or with another UK institution regulated by the Financial Conduct Authority or the Prudential Regulation Authority.

The Academy Trust will not take out any long term deposits until reliable cash flow pattern had been established, monies will only be paid into term deposits not exceeding six months.

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic Report (continued)

Financial review (continued)

Principal Risks and Uncertainties

The Academy Trust and each school within it have in place a risk register with the main items of risk being reviewed at LGB and trust board meeting.

The Academy Trust has in place a risk management strategy and risk register. The CEO and Financial Director have lead responsibility for the risk management processes and Risk Register. The Risk Register is formally reviewed each term by the CEO and FD. The principal risks are as follows:

Section 1: Sustainability

- Lack of funding results in unsustainable Academy operation (national funding, numbers on roll, pension deficit, pupil numbers, inflation etc.)
- Critical Incidents
- Overall performance results

Section 2: Governance

- Reputational
- Succession Planning
- Finance
- Fraud & Data Security
- Employment laws risk; including pensions
- Health & Safety risk
- Facilities and adequacy of investment
- Governance structure and skills of Board/LGB

Section 3: New Academies

- Reputational
- Distance
- Resource: Team & Finance
- Contractual exposures
- Resource: IT
- Resource: Contracts - Catering, cleaning, grounds, facilities etc

The principal risks and uncertainties are centered on changes in the level of funding from DfE/ESFA. In addition, the academy trust is a member of the Local Government Pension Scheme (LGPS), which results in the recognition of a significant deficit on the academy trust balance sheet.

The Governors have assessed the major risks, to which the Academy Trust is exposed, in particular those relating specifically to teaching provision of facilities and other operational areas of the Academy Trust, and its finances. The Governors have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school visits) and in relation to the control of finance. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy Trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Fundraising

All schools within the Academy Trust undertake both fundraising on behalf of other charitable organisations and for school specific purposes. Schools take part in many national charity events including, Red Nose Day and Children in Need and some schools also fundraise throughout the year for nominated charities. All income generated from these days are transferred direct to the individual charities.

As well as fundraising for external charities, most schools have active PTA organisations or "Friends of organisations who actively fundraise through school based events. Money received for these events is managed by the individual organisations and schools apply to the independent organisations for contributions to specific school equipment or events to enhance the curriculum or children's learning experience in schools.

The Academy Trust is particularly aware of the need to protect vulnerable individuals in any fundraising we undertake. During the course of this accounting period, we received no complaints relating to our fundraising activities.

Communication

In line with the COVID-19 requirements, all face to face meetings were cancelled. The CEO, held regular meetings with each Head Teacher to gather their local position and offer support.

Principles risks and uncertainties
Section 4: COVID 19 Risks

- Staffing
- Online Learning
- Financial Implications
- Assessment/ performance

Plans for Future Periods

The priority for the Academy Trust in 2020-2021 is to continue to improve levels of achievement for all students in line with our vision that all children reach their full potential and has specific KPI's in the strategic plan. The Academy Trust is committed to effective and sustainable school improvement and provides a broad and balance curriculum which prioritises the development of English and mathematics skills in order to give our children the best chance of succeeding in life. We also aim to expand the Academy Trust over the next 12-18 months.

Disclosure of information to auditors

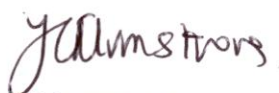
Insofar as the Governors are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Governors 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 Governors' Report, incorporating a strategic report, was approved by order of the Board of Governors, as the company directors, on 16 November 2020 and signed on its behalf by:



K Steven
Chair



J Armstrong
Accounting Officer

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

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

The Board of Governors has delegated the day-to-day responsibility to the Chief Executive, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Prince Regent Street Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Governors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The Board of Governors has formally met 9 times during the year.

Attendance during the year at meetings of the Board of Governors was as follows:

Governors	Meetings attended	Out of a possible
K Steven	9	9
J Armstrong, Chief Executive	9	9
E Avison	5	9
H Beckwith	8	9
H Brown	8	9
M Colley	8	9
H Herron	6	9
J Hughes	6	9

The Finance and Audit Committee is a sub-committee of the main Board of Governors. Its purpose is to assume responsibility for the proper stewardship of funds and for ensuring economy, efficiency and effectiveness in their use.

Attendance during the year at meetings was as follows:

Governors	Meetings attended	Out of a possible
H Brown	1	2
K Steven	2	2
H Herron	1	2
J Armstrong	2	2

The Trust Improvement Committee is also a sub-committee of the main Board of Governors.

Attendance during the year at meetings was as follows:

Governors	Meetings attended	Out of a possible
E Avison	2	2
H Beckwith	2	2
K Steven	1	2
M Colley	1	2
J Hughes	1	2
J Armstrong	2	2

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

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

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

- Staff insurance saving across the 3 schools was £18,467
- Grounds maintenance savings across the 3 schools of £2,300
- RPA Insurance – 18/19 £20 per pupil charge was significant saving compared to the maintained SBC insurance costs. RPA £16k across the Trust, SBC circa £28k.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Prince Regent Street Trust for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Governors has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Governors.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Governors
- regular reviews by the Finance and Audit 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
- delegation of authority and segregation of duties
- identification and management of risks

The Board of Governors has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Governors have appointed Clive Owen LLP, the external auditors, to perform additional checks.

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

The Academy Trust has appointed Azets as internal auditors from 1 September 2020 to separate the role in line with revised FRC Ethical Standard (15 March 2020).

The external auditors' role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. In particular the checks carried out in the current period included the testing of payroll, purchase, control account and bank reconciliation systems.

On a termly basis, the external auditors report to the Board of Governors through the audit committee on the operation of the systems of control and on the discharge of the Governors' financial responsibilities.

The internal auditors have delivered their schedule of work as planned and no material control issues have arisen as a result of their work.

Review of effectiveness

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


- the work of the external auditors;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Governors on 16 November 2020 and signed on their behalf by:



K Steven
Chair



J Armstrong
Accounting Officer

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

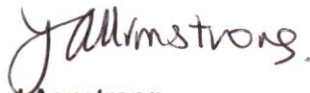
STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

I confirm that I and the Academy Trust Board of Governors are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2019.

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the Board of Governors and ESFA. If any instances are identified after the date of this statement, these will be notified to the Board of Governors and ESFA:

Alcohol was purchased contrary to the Academies Financial Handbook. A member of staff of the Academy Trust purchased alcohol on three separate occasions, for fundraising purposes with a total value of £55.75. The Academy Trust have implemented improved controls going forward.



J Armstrong
Accounting Officer
Date: 16 November 2020

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

STATEMENT OF GOVERNORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2020

The Governors (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' 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 Governors to prepare financial statements for each financial year. Under company law, the Governors 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 Governors are required to:

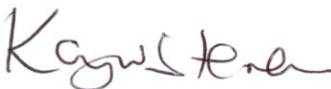
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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 Governors 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 Governors 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 DfE/ESFA have been applied for the purposes intended.

The Governors 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 Governors on 16 November 2020 and signed on its behalf by:



K Steven
Chair

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
PRINCE REGENT STREET TRUST**

Opinion

We have audited the financial statements of Prince Regent Street Trust (the 'Academy Trust') for the year ended 31 August 2020 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 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2020 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 2019 to 2020 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Governors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Governors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Academy Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
PRINCE REGENT STREET TRUST (CONTINUED)**

Other information

The Governors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Other information includes the Reference and Administrative Details, the Governors' Report including the Strategic Report, and the Governance Statement. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 Governors' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Governors' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' 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 Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
PRINCE REGENT STREET TRUST (CONTINUED)**

Responsibilities of trustees

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

In preparing the financial statements, the Governors are responsible for assessing the Academy Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the Academy 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.

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

Use of our report

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



Kevin Shotton BA BFP FCA (Senior Statutory Auditor)

for and on behalf of

Clive Owen LLP

Chartered Accountants

Statutory Auditors

140 Coniscliffe Road

Darlington

Co Durham

DL3 7RT

16 November 2020

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO PRINCE
REGENT STREET TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 19 September 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Prince Regent Street Trust during the year 1 September 2019 to 31 August 2020 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 Prince Regent Street Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Prince Regent Street 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 Prince Regent Street Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Prince Regent Street Trust's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Prince Regent Street Trust's funding agreement with the Secretary of State for Education dated 26 September 2018 and the Academies Financial Handbook, extant from 1 September 2019, 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 2019 to 2020. 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 2019 to 31 August 2020 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 Academies Accounts Direction 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- Review of governing body and committee minutes;
- Review of termly Internal Assurance reports;
- Completion of self assessment questionnaire by Accounting Officer;
- Review documentation provided to Governors and Accounting Officer setting out responsibilities;
- Obtain formal letters of representation detailing the responsibilities of Governors;
- Review of payroll, purchases and expenses claims on a sample basis;
- Confirmation that the lines of delegation and limits set have been adhered to;
- Evaluation of internal control procedures and reporting lines;
- Review cash payments for unusual transactions;
- Review of credit card transactions;

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

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

Approach (continued)

- Review of registers of interests;
- Review related party transactions;
- Review of borrowing agreements;
- Review of land and building transactions;
- Review of potential and actual bad debts;
- Review an instance of gift/hospitality to ensure in line with policy;
- Review whistleblowing procedures;
- Review pay policy and factors determining executive pay;
- Review of staff expenses;
- Review other income to ensure is in line with funding agreement;
- Review governance structure and number of meetings held; and
- Review whether there is a risk register in place.

Conclusion

In the course of our work other than detailed below, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Non-Financial issues

Alcohol was purchased contrary to the Academies Financial Handbook. A member of staff of the Academy Trust purchased alcohol on three separate occasions, for fundraising purposes with a total value of £55.75. The Academy Trust have implemented improved controls going forward.



Clive Owen LLP

Reporting Accountant

140 Coniscliffe Road
Darlington
Co Durham
DL3 7RT

Date: 16 November 2020

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Income from:						
Donations and capital grants:						
Transfer from local authority on conversion	3	-	-	-	-	10,877
Donations and capital grants		9	-	22	31	35
Charitable activities	4	86	4,262	-	4,348	3,589
Other trading activities	5	47	-	-	47	93
Investments	6	-	-	-	-	3
Total income		142	4,262	22	4,426	14,597
Expenditure on:						
Raising funds		-	-	-	-	1
Charitable activities	7	68	4,427	331	4,826	4,095
Total expenditure		68	4,427	331	4,826	4,096
Net income/ (expenditure)		74	(165)	(309)	(400)	10,501
Transfers between funds	17	-	(27)	27	-	-
Net movement in funds before other recognised gains/(losses)		74	(192)	(282)	(400)	10,501
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	23	-	(871)	-	(871)	(500)
Net movement in funds		74	(1,063)	(282)	(1,271)	10,001

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

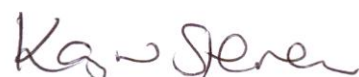
Note	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Reconciliation of funds:					
Total funds brought forward	367	(596)	10,230	10,001	-
Net movement in funds	74	(1,063)	(282)	(1,271)	10,001
Total funds carried forward	<u>441</u>	<u>(1,659)</u>	<u>9,948</u>	<u>8,730</u>	<u>10,001</u>

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 11474011

BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £000	2019 £000
Fixed assets			
Tangible assets	14	9,948	10,230
		9,948	10,230
Current assets			
Debtors	15	274	149
Cash at bank and in hand		676	552
		950	701
Creditors: amounts falling due within one year	16	(495)	(334)
		455	367
Net current assets		455	367
Total assets less current liabilities		10,403	10,597
Net assets excluding pension liability		10,403	10,597
Defined benefit pension scheme liability	23	(1,673)	(596)
Total net assets		8,730	10,001
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	17	9,948	10,230
Restricted income funds	17	14	-
		9,962	10,230
Restricted funds excluding pension asset	17	9,962	10,230
Pension reserve	17	(1,673)	(596)
		8,289	9,634
Total restricted funds		8,289	9,634
Unrestricted income funds		441	367
Total funds		8,730	10,001

The financial statements on pages 25 to 54 were approved by the Governors, and authorised for issue on 16 November 2020 and are signed on their behalf, by:



K Steven
Chair

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £000	2019 £000
Cash flows from operating activities			
Net cash provided by operating activities	19	151	558
Cash flows from investing activities	20	(27)	(6)
Change in cash and cash equivalents in the year		124	552
Cash and cash equivalents at the beginning of the year		552	-
Cash and cash equivalents at the end of the year	21, 22	<u>676</u>	<u>552</u>

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Prince Regent Street Trust meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

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

1.3 Income

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

• **Grants**

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.

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.4 Expenditure

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

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 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:

Depreciation is provided on the following basis:

Long-term leasehold property	-	2%
Furniture and equipment	-	14%
Computer equipment	-	33%

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

1.6 Debtors

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

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.7 Cash at bank and in hand

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

1.8 Liabilities

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

1.9 Provisions

Provisions are recognised when the Academy 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.

1.10 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.11 Operating leases

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

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.12 Pensions

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

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

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

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

1.13 Fund accounting

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

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.

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. 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. In the current year the actuary has made assumptions to estimate the liability associated with McCloud Sargeant (McCloud) and GMP Indexation and Equalisation (GMP).

Depreciation - Depreciation is calculated so as to write off the cost of an asset, less its residual value, over the economic life of that asset. An estimate of the useful life of assets is detailed in the depreciation accounting policy. The value of depreciation charge during the year was £331,000.

Critical areas of judgment:

Land

Land is held under a 125 year lease from Stockton Borough Council. These assets are included on the Balance Sheet of the Academy Trust due to the significant risks and rewards of ownership belonging to the academy, the lease term being the major part of the economic life of the assets and the assets being of such a specialised nature that only the Academy Trust could use them without major modification.

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

3. Income from donations and capital grants

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Transfer from local authority on conversion	-	-	-	-	10,877
Subtotal detailed disclosure	-	-	-	-	10,877
Donations	9	-	-	9	3
Capital Grants	-	-	22	22	32
Subtotal	9	-	22	31	35
	9	-	22	31	10,912
Total 2019	323	54	10,535	10,912	

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

4. Funding for the academy's educational operations

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
DfE/ESFA grants				
General Annual Grant (GAG)	-	3,216	3,216	2,802
Pupil Premium	-	225	225	159
PE and Sport Premium	-	55	55	12
UIFSM	-	126	126	52
Rates	-	14	14	12
Insurance	-	23	23	-
Teachers' pay grant	-	45	45	-
Other DfE Group grants	-	130	130	29
	<u>-</u>	<u>3,834</u>	<u>3,834</u>	<u>3,066</u>
Other Government Grants				
SEN	-	77	77	47
Early Years Funding	-	341	341	315
Local Authority grants	-	10	10	-
Other Government grants	-	-	-	13
	<u>-</u>	<u>428</u>	<u>428</u>	<u>375</u>
Other Funding				
Non Government non grant income	-	-	-	8
Student Trips	18	-	18	39
Student Catering	68	-	68	101
	<u>86</u>	<u>-</u>	<u>86</u>	<u>148</u>
	<u>86</u>	<u>4,262</u>	<u>4,348</u>	<u>3,589</u>
Total 2019	<u>148</u>	<u>3,441</u>	<u>3,589</u>	

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

5. Income from other trading activities

	Unrestricted funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Supply teacher insurance claims	12	12	22
Other income	35	35	71
	<u>47</u>	<u>47</u>	<u>93</u>
Total 2019	<u>93</u>	<u>93</u>	

6. Investment income

	Restricted funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Net interest income on pension scheme	<u>-</u>	<u>-</u>	<u>3</u>
Total 2019	<u>3</u>	<u>3</u>	

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

7. Expenditure

	Staff Costs 2020 £000	Premises 2020 £000	Other 2020 £000	Total 2020 £000	Total 2019 £000
Expenditure on fundraising trading activities:					
Allocated support costs	-	-	-	-	1
Academy's educational operations:					
Direct costs	3,172	-	238	3,410	2,865
Allocated support costs	454	459	503	1,416	1,230
Total 2020	<u>3,626</u>	<u>459</u>	<u>741</u>	<u>4,826</u>	<u>4,096</u>
Total 2019	<u>3,033</u>	<u>467</u>	<u>596</u>	<u>4,096</u>	

In 2020 of the total expenditure, £68,000 (2019 : £197,000) was to unrestricted funds and £4,758,000 (2019 : £3,899,000) was to restricted funds.

There were no individual transactions exceeding £5,000 for:

- Compensation payments
- Gifts made by the trust
- Fixed assets losses
- Stock losses
- Unrecoverable debts
- Cash losses

There were no ex-gratia payments in the year.

8. Analysis of expenditure by activities

	Activities undertaken directly 2020 £000	Support costs 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Academy's educational operations	<u>3,410</u>	<u>1,416</u>	<u>4,826</u>	<u>4,095</u>

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2020 £000	Total funds 2019 £000
Staff costs	3,172	2,668
Educational supplies	57	70
Staff development	20	23
Technology costs	3	4
Educational consultancy	117	69
Supply insurance	28	19
Transport	5	12
Other costs	8	-
	<u>3,410</u>	<u>2,865</u>

Analysis of support costs

	Total funds 2020 £000	Total funds 2019 £000
Net interest on pension scheme	10	-
Staff costs	454	365
Depreciation	331	305
Technology costs	59	52
Maintenance of premises	40	85
Cleaning	8	5
Other premises costs	32	35
Energy	42	33
Rent & rates	14	12
Insurance	16	16
Operating lease rentals	8	8
Catering	240	196
Security	1	3
Other costs	149	100
Governance costs	12	15
Total 2020	<u>1,416</u>	<u>1,230</u>

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2020 £000	2019 £000
Operating lease rentals	8	8
Depreciation of tangible fixed assets	331	305
Fees paid to auditors for:		
- audit	9	9
- other services	3	6
	9	19

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2020 £000	2019 £000
Wages and salaries	2,574	2,295
Social security costs	237	196
Pension costs	728	506
	3,539	2,997
Agency staff costs	59	36
Staff restructuring costs	28	-
	3,626	3,033

Included in operating costs of defined benefit pension schemes is a charge of £196,000 (2019 - £153,000) relating to the pension deficit actuarial adjustment.

b. Non-statutory/non-contractual staff severance payments

included in staff costs are non-statutory/non-contractual severance payments totalling £26,000 (2019: £nil). Individually, the payments were: £23,000 and £3,000.

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

10. Staff (continued)

c. Staff numbers

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

	2020 No.	2019 No.
Teachers	43	41
Administration and support	77	72
Management	4	4
	124	117
	124	117

d. Higher paid staff

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

	2020 No.	2019 No.
In the band £60,001 - £70,000	1	-
In the band £80,001 - £90,000	-	1
In the band £90,001 - £100,000	1	-
	1	-
	1	-

e. Key management personnel

The key management personnel of the Academy Trust comprise the Governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £303,000 (2019 : £250,000).

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

11. Central services

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

- Human resources
- Financial services
- Legal services
- Educational support

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

Staff time or pupil numbers.

The actual amounts charged during the year were as follows:

	2020 £000	2019 £000
Hartburn Primary School	128	80
Village Primary School	67	40
Wolviston Primary School	35	20
Total	<u>230</u>	<u>140</u>

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

12. Governors' remuneration and expenses

One or more Governors has been paid remuneration or has received other benefits from an employment with the Academy Trust. The principal and other staff Governors 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 Governors' remuneration and other benefits was as follows:

		2020	2019
		£000	£000
J Armstrong, Chief Executive	Remuneration	95 - 100	85 - 90
	Pension contributions paid	20 - 25	10 - 15

During the year ended 31 August 2020, no Governors expenses have been incurred (2019 - £NIL).

13. Governors' and Officers' insurance

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

14. Tangible fixed assets

	Long-term leasehold property £000	Furniture and equipment £000	Computer equipment £000	Total £000
Cost or valuation				
At 1 September 2019	9,579	950	6	10,535
Additions	-	24	25	49
At 31 August 2020	9,579	974	31	10,584
Depreciation				
At 1 September 2019	177	127	1	305
Charge for the year	190	133	8	331
At 31 August 2020	367	260	9	636
Net book value				
At 31 August 2020	9,212	714	22	9,948
At 31 August 2019	9,402	823	5	10,230

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

15. Debtors

	2020 £000	2019 £000
Due within one year		
Trade debtors	1	2
VAT recoverable	36	48
Prepayments and accrued income	237	99
	274	149
	274	149

16. Creditors: Amounts falling due within one year

	2020 £000	2019 £000
Trade creditors	147	68
Other taxation and social security	56	54
Other creditors	75	59
Accruals and deferred income	217	153
	495	334
	495	334
	2020 £000	2019 £000
Deferred income at 1 September 2019	85	-
Resources deferred during the year	96	85
Amounts released from previous periods	(85)	-
	96	85
	96	85

At the Balance Sheet date the Academy Trust was holding funds of £96,000 received in advance relating to UIFSM, rates relief and trip income relating to 2020/21 academic year.

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

17. Statement of funds

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2020 £000
Unrestricted funds						
Unrestricted Fund	367	142	(68)	-	-	441
Restricted general funds						
General Annual Grant (GAG)	-	3,216	(3,188)	(27)	-	1
Pupil Premium	-	225	(225)	-	-	-
Other DfE Group grants	-	393	(380)	-	-	13
SEN	-	77	(77)	-	-	-
Other Government grants	-	351	(351)	-	-	-
Pension reserve	(596)	-	(206)	-	(871)	(1,673)
	<u>(596)</u>	<u>4,262</u>	<u>(4,427)</u>	<u>(27)</u>	<u>(871)</u>	<u>(1,659)</u>
Restricted fixed asset funds						
Legacy assets	10,195	-	(317)	-	-	9,878
Devolved Formula Capital	26	22	(7)	-	-	41
Capital expenditure from GAG	-	-	(6)	27	-	21
Donations	9	-	(1)	-	-	8
	<u>10,230</u>	<u>22</u>	<u>(331)</u>	<u>27</u>	<u>-</u>	<u>9,948</u>
Total Restricted funds	<u>9,634</u>	<u>4,284</u>	<u>(4,758)</u>	<u>-</u>	<u>(871)</u>	<u>8,289</u>
Total funds	<u>10,001</u>	<u>4,426</u>	<u>(4,826)</u>	<u>-</u>	<u>(871)</u>	<u>8,730</u>

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

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

17. Statement of funds (continued)

The General Annual Grant (GAG) must be used for the normal running of the academy trust including salaries and related costs, overheads, repairs and maintenance, and insurance.

Pupil Premium is additional funding to be spent as the school sees fit to support deprived students.

Other DfE/ESFA income relates to teacher pension grant, Universal Infant Free School Meals and PE Sports grant respectively are to be used to cover teachers pension contribution increase, catering costs for eligible pupils and the delivery of PE curriculum provision.

SEN funding is used to provide additional support for additional needs pupils.

Other government grants relates to Early Years funding for the provision of nursery services.

The pension reserves is the liability due to the deficit on the Local Government Pension Scheme. Further details are shown in note 23.

The restricted fixed asset funds represent monies received to purchase fixed assets. Depreciation is charged against each fund over the useful economic life of the associated assets.

Unrestricted funds include the income from uniform sales, school trips and catering with the relevant costs allocated accordingly.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2020.

Total funds analysis by academy

Fund balances at 31 August 2020 were allocated as follows:

	2020	2019
	£000	£000
Trust	43	11
Hartburn Primary School	180	143
Village Primary School	93	82
Wolviston Primary School	139	131
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	455	367
Restricted fixed asset fund	9,948	10,230
Pension reserve	(1,673)	(596)
	<hr/>	<hr/>
Total	8,730	10,001
	<hr/> <hr/>	<hr/> <hr/>

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

17. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2020 £000	Total 2019 £000
Trust	196	67	-	141	404	135
Hartburn Primary School	1,621	204	31	373	2,229	1,980
Village Primary School	887	123	18	205	1,233	1,108
Wolviston Primary School	468	60	8	93	629	568
Academy Trust	3,172	454	57	812	4,495	3,791

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

17. Statement of funds (continued)

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

	Income £000	Expenditure £000	Gains/ (Losses) £000	Balance at 31 August 2019 £000
Unrestricted funds				
Unrestricted Fund	564	(197)	-	367
Restricted general funds				
General Annual Grant (GAG)	2,802	(2,802)	-	-
Pupil Premium	159	(159)	-	-
Other DfE Group grants	105	(105)	-	-
SEN	47	(47)	-	-
Other Government grants	328	(328)	-	-
Pension reserve	57	(153)	(500)	(596)
	<u>3,498</u>	<u>(3,594)</u>	<u>(500)</u>	<u>(596)</u>
Restricted fixed asset funds				
Legacy assets	10,497	(302)	-	10,195
Devolved Formula Capital	28	(2)	-	26
Capital expenditure from GAG	10	(1)	-	9
	<u>10,535</u>	<u>(305)</u>	<u>-</u>	<u>10,230</u>
Total Restricted funds	<u>14,033</u>	<u>(3,899)</u>	<u>(500)</u>	<u>9,634</u>
Total funds	<u><u>14,597</u></u>	<u><u>(4,096)</u></u>	<u><u>(500)</u></u>	<u><u>10,001</u></u>

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

18. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000
Tangible fixed assets	-	-	9,948	9,948
Current assets	469	481	-	950
Creditors due within one year	(28)	(467)	-	(495)
Provisions for liabilities and charges	-	(1,673)	-	(1,673)
Total	441	(1,659)	9,948	8,730

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Restricted fixed asset funds 2019 £000	Total funds 2019 £000
Tangible fixed assets	-	-	10,230	10,230
Current assets	367	334	-	701
Creditors due within one year	-	(334)	-	(334)
Provisions for liabilities and charges	-	(596)	-	(596)
Total	367	(596)	10,230	10,001

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

19. Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2020 £000	2019 £000
Net (expenditure)/income for the period (as per Statement of Financial Activities)	(400)	10,501
Adjustments for:		
Depreciation	331	305
Capital grants from DfE and other capital income	(22)	(32)
Defined benefit pension scheme obligation inherited	-	(54)
Defined benefit pension scheme cost less contributions payable	196	153
Defined benefit pension scheme finance cost	10	(3)
Increase in debtors	(125)	(149)
Increase in creditors	161	334
Transfer from local authority on conversion	-	(10,497)
Net cash provided by operating activities	151	558

20. Cash flows from investing activities

	2020 £000	2019 £000
Purchase of tangible fixed assets	(49)	(38)
Capital grants from DfE Group	22	22
Capital funding received from sponsors and others	-	10
Net cash used in investing activities	(27)	(6)

21. Analysis of cash and cash equivalents

	2020 £000	2019 £000
Cash in hand	676	552
Total cash and cash equivalents	676	552

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

22. Analysis of changes in net debt

	At 1 September 2019 £000	Cash flows £000	At 31 August 2020 £000
Cash at bank and in hand	552	124	676
	552	124	676
	552	124	676

23. Pension commitments

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2016.

Contributions amounting to £61,000 were payable to the schemes at 31 August 2020 (2019 - £48,000) 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.

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

23. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £399,000 (2019 - £241,000).

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 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 2020 was £177,000 (2019 - £175,000), of which employer's contributions totalled £133,000 (2019 - £112,000) and employees' contributions totalled £ 44,000 (2019 - £63,000). The agreed contribution rates for future years are 17.5%-16.6% per cent for employers and 5.5% - 12.5% per cent for employees.

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

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

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

23. Pension commitments (continued)

Principal actuarial assumptions

	2020 %	2019 %
Rate of increase in salaries	3.30	3.10
Rate of increase for pensions in payment/inflation	2.30	2.10
Discount rate for scheme liabilities	1.70	1.80
Inflation assumption (CPI)	2.30	2.10
Commutation of pensions to lump sums	80.00	80.00

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

	2020 Years	2019 Years
<i>Retiring today</i>		
Males	21.8	21.9
Females	23.5	23.8
<i>Retiring in 20 years</i>		
Males	23.2	23.6
Females	25.3	25.7

Sensitivity analysis

	2020 £000	2019 £000
Discount rate +0.1%	(86)	(67)
Discount rate -0.1%	90	68
Mortality assumption - 1 year increase	(141)	(119)
Mortality assumption - 1 year decrease	145	120
CPI rate +0.1%	20	42
CPI rate -0.1%	(20)	(42)

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

	2020 £000	2019 £000
Equities	1,702	2,186
Property	179	240
Cash and other liquid assets	260	363
Other	99	71
Total market value of assets	2,240	2,860

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

23. Pension commitments (continued)

The actual return on scheme assets was £(791,000) (2019 - £91,000).

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

	2020 £000	2019 £000
Current service cost	(329)	(213)
Past service cost	-	(52)
Interest income	53	69
Interest cost	(63)	(66)
Total amount recognised in the Statement of Financial Activities	<u>(339)</u>	<u>(262)</u>

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

	2020 £000	2019 £000
At 1 September	3,456	-
Conversion of academy trusts	-	2,545
Current service cost	329	213
Interest cost	63	66
Employee contributions	44	63
Actuarial losses	27	522
Benefits paid	(6)	(5)
Past service costs	-	52
At 31 August	<u>3,913</u>	<u>3,456</u>

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

	2020 £000	2019 £000
At 1 September	2,860	-
Conversion of academy trusts	-	2,599
Interest income	53	69
Actuarial (losses)/gains	(844)	22
Employer contributions	133	112
Employee contributions	44	63
Benefits paid	(6)	(5)
At 31 August	<u>2,240</u>	<u>2,860</u>

PRINCE REGENT STREET TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

24. Operating lease commitments

At 31 August 2020 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £000	2019 £000
Not later than 1 year	8	9
Later than 1 year and not later than 5 years	1	7
	<u>9</u>	<u>16</u>

25. 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.

26. Related party transactions

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

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 12.

