

Registered number: 10842747 (England)

Potential in Everyone Academy Trust
(A company limited by guarantee)

Annual report and financial statements

For the year ended 31 August 2018

Potential in Everyone Academy Trust
(A company limited by guarantee)

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Reference and administrative details
For the year ended 31 August 2018

Members

Simon Molony
Richard Parkin
Eileen Martin
The Diocese of Canterbury Academies Company Limited (currently Quentin Roper)
Niki Paterson (appointed 1 November 2017)

Trustees

Claire Harris²
Jane Lillicrap²
Janet Mills (resigned 31 July 2018)¹
Miranda Rees (resigned 31 December 2017)¹
Anne Ryback (resigned 1 April 2018)²
Elizabeth Smith (resigned 20 November 2018)²
Helen Stewart¹
David Crombie (appointed 20 September 2017)¹
David Whitehead, Chief Executive Officer^{1,2}
Christine Wilson (appointed 1 September 2018)
Paul Meechan (appointed 1 September 2018)
Michael O'Connell (appointed 20 November 2018)

¹ Finance and Staffing Committee

² The Standards Committee

Company registered number

10842747

Company name

Potential in Everyone Academy Trust

Principal and registered office

Bredgar C Of E Primary School, Bexon Lane, Bredgar, Sittingbourne, United Kingdom, ME9 8HB

Trust Business Manager

Linda Lucas

Chief Executive Officer

David Whitehead

Senior management team

David Whitehead, Chief Executive Officer
Linda Lucas, Trust Business Manager
Madeleine Gower, Headteacher
Catherine Hurst, Headteacher
Lyndsey Wood, Headteacher
Karen Godsell, Headteacher (appointed 1 September 2017)

Independent auditors

Kreston Reeves LLP, 37 St Margaret's Street, Canterbury, Kent, CT1 2TU

Potential in Everyone Academy Trust
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Reference and administrative details of the academy, its trustees and advisers
For the year ended 31 August 2018

Advisers (continued)

Bankers

Lloyds Bank Plc, 125 High Street, Sittingbourne, Kent, ME10 4BD

Financial Support Services

Schools Financial Services, Kent County Council, 2nd Floor, Invicta House, Maidstone, Kent, ME14 1XX
(Ended 31 May 2018. Internal resource recruited to provide the services)

Potential in Everyone Academy Trust **(A company limited by guarantee)**

Trustees' report **For the year ended 31 August 2018**

The Trustees of the Potential in Everyone Academy Trust present their annual report together with the financial statements and auditors' report of the charitable company for the period of 1 September 2017 to 31 August 2018. The annual report serves the purposes of both a trustees' report, and a director's report under company law.

The financial statements have been prepared in accordance with the accounting policies set out on pages 29 to 34 of the attached financial statements and comply with the Trusts' memorandum and articles of association and all applicable laws.

Structure, Governance and Management

Constitution

The Potential in Everyone Academy Trust is a company limited by guarantee and an exempt charity under the Charities Act 2011. The Trusts memorandum and articles of association are the primary governing documents of the academy trust.

The Trustees of Potential in Everyone Academy Trust and are also the directors of the charitable company for the purposes of company law. The charitable company is known as Potential in Everyone Academy Trust (PiEAT).

Details of the Trustees who served throughout the year except as noted are included in the Reference and Administrative Details on page 1.

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.

Trustees' Indemnities

Subject to the provisions of the Companies Act 2006, every trustee or other officer or auditor of the Company shall be indemnified out of the assets of the Company against any liability incurred by him / her in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which he is acquitted or in connection with any application in which relief is granted to him/ her by the court from liability or negligence, default, breach of duty or breach of trust in relation to affairs of the Company.

Potential in Everyone Academy Trust has purchased insurance to protect trustees from claims arising from negligent acts, errors or omissions whilst on Trust business.

Principal Activities

The Trusts principal object and activity has been to manage the schools' provision of education to pupils aged 4 to 11 serving a catchment area in Sittingbourne, Kent. It has a pupil capacity of 901 and had a roll of 897 in the school census on 4 October 2018 (excluding nursery children).

The trust is a multi-academy trust which operates four primary academies in Kent. The Academies are:

- Borden Church of England Primary School
- Bredgar Church of England Primary School
- Minterne Community Junior School
- The Oaks Community Infant School.

All four schools converted to academy status on the 1 August 2017.

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**Trustees' report (continued)
For the year ended 31 August 2018**

Method of Recruitment and Appointment or Election of Trustees

The recruitment of new Trustees is as defined within the Articles of Association, Master Funding Agreement and the Scheme of Delegation, and is subject to approval by the Trust Members. Recruitment is based on skills, knowledge and behaviours as set out in 'A Competency Framework for Governance 2017'. Recruitment of Governors to the Local Governing Body for each school is subject to approval by the Board of Trustees' in line with the guidance within the Trust's Scheme of Delegation.

The term of office for a Trustee or Governor is four years, except for the Chief Executive Officer who remains a trustee whilst in post.

Policies and Procedures Adopted for the Induction and Training of Governors

The training provided for new Trustees will depend on their existing experience, but induction does include a tour of the PiEAT schools and a chance to meet staff and pupils. All Trustees are provided with access to policies, procedures, minutes, accounts, plans and other documentation that they will need to undertake their role as Trustees. Where necessary, training will be provided on charity, educational, legal and financial matters either via the Governor Support Team at the Local Authority, the NGA or other external resources.

All Trustees have access to an online e learning tool which delivers a wide range of training. Where required bespoke local training is delivered on key topics as agreed following an annual re-assessment of the skills audit.

Organisational Structure

The management structure of the Trust consists of four levels which are as follows:

- Members, who appoint the Directors and delegate responsibility for governance and running of the Multi Academy Trust to the Board of Directors
- Board of Directors (BOD) is where Legal accountability sits. The BOD delegate responsibility to Local Governing Bodies through a Scheme of Delegation
- Trust Leaders (Chief Executive Officer, Chief Financial Officer, Headteachers x 4) enact governance on behalf of the Board of Directors through implementing the Trust's vision and values and through monitoring of achievement, standards, quality of teaching, finance, safeguarding, health and safety and human resources.
- Local Governing Bodies are responsible but not legally accountable for ensuring that their school achieves good outcomes for all its pupils and complies with statutory and Trust policies and procedures.

The Trustees (Directors) are responsible for setting general policy, adopting an annual plan and budget, monitoring the Multi Academy Trust by the use of budgets and making major decisions about the direction of the Multi Academy Trust, capital expenditure and the appointment of the Chief Executive Officer.

Trustees delegate some duties to the Local Governing Bodies of the schools within the Trust, including the implementation and monitoring of local policies, health and safety, safeguarding, whilst retaining overall accountability.

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Trustees' report (continued)
For the year ended 31 August 2018

Arrangements for setting pay and remuneration of key management personnel

The Trust has a pay policy and clear performance and appraisal policy in place within the Trust schools and works in line with the current Teachers Pay and Conditions document and current Kent County Council's Support Staff Pay and Conditions.

The Chief Executive Officer pay is currently set in line with full Teacher's Pay and Conditions document and the current size of the Trust in terms of pupil numbers.

The Trust Business Manager currently provides the functions of the Chief Financial Officer, and her pay is set in line with Kent County Council's Support Staff Pay and Condition.

The pay of the four primary headteachers is set in accordance with the Teacher's Pay and Conditions document and the current size of their school in terms of pupil numbers.

Trade union facility time

Under the provisions of the Trade Union Regulations 2017, where an academy trust has more than 49 full time equivalent employees throughout any 7 months within the period 1st September 2017 to the end of the period 31st August 2018, it must publish the following information.

Relevant Union Officials

Number of employees who were relevant union officials during the relevant period	Full time equivalent employee number
6	5.8

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	2
1%-50%	0
51%-99%	0
100%	0

Percentage of pay bill spent on facility time

Total cost of facility time	0
Total pay bill	£2,483,010
Percentage of the total pay bill spent on facility time	0%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility hours	0
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Related Parties and other Connected Charities and Organisations

There are no related parties which either control or significantly influence the decisions and operations of the Trust.

Potential in Everyone Academy Trust
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Trustees' report (continued)
For the year ended 31 August 2018

Objectives and Activities

Objects and Aims

The Trust Charitable objects as set out in its articles of association are:

- to advance the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing Academies which shall offer a broad and balanced curriculum and which shall include:
 - Church of England Academies designated as such which shall be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and having regard to any advice issued by the Diocesan Board of Education; and
 - Other Academies whether with or without a designated religious character

In accordance with the articles of association, the Multi Academy Trust has adopted a "Scheme of Governance" approved by the Secretary of State for Education. The Scheme of Governance specifies, amongst other things, the basis for admitting pupils to the academies, the catchment area from which the pupils are drawn, and that the curriculum should comply with the substance of the national curriculum.

Objectives, Strategies and Activities

Potential in Everyone Academy Trust (PiEAT) is a Church of England Multi-Academy trust, established on 1st August 2017 composed of the following schools:

- Bredgar Church of England Primary School
- Minterne Community Junior School
- Borden Church of England Primary School
- The Oaks Community Infants School

As the educational landscape is changing at an unprecedented pace in such uncertain political times, leading in particular to a marked reduction in the role and capacity of local authorities, the Trust aims to provide a supportive and collaborative context in which our schools and future schools can continue to thrive into the future. At the heart of the Trust will be an unequivocal drive on our key moral purpose of ensuring every child meets their full potential and our steadfast commitment to positively promoting Christian and British Values.

The support the Trust continues to offer to each individual school takes many forms. Schools are first and foremost for education, so it is right that at the heart of what we do is a focus on school improvement, staff development, and enabling our young people to excel. We support schools in meeting the challenges of rising expectations through mutually supportive intervention and training. Secondly, the Trust works to support each school to ensure that it has secure and robust financial and resource management, so that all schools meet their statutory responsibilities. And thirdly, we support schools in the nurturing of their distinctive ethos which contributes so powerfully to the development of our pupils as rounded and balanced young people poised to make a contribution to society. The Trust is committed to continually look for innovative ways to ensure that every child has access to life changing enhancement activities.

The ethos of the Trust remains collaborative and participative. Every individual school has a voice, through the Trust's open and transparent governance, in the key decisions which affect each school. Moreover, the Trust aims to value the healthy diversity which exists in its schools, and we will actively encourage future schools who decide to join the Trust to maintain and further develop its own distinctive culture and identity.

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Trustees' report (continued)
For the year ended 31 August 2018

We have created and will maintain a shared culture which requires everyone whatever their role, staff or pupil, Governor or parent, to take responsibility for their position and be accountable for what they achieve. We are driven by a desire to make a positive impact on the lives of all children. This shared culture respects, upholds and complements each school's distinctive ethos and character.

The objectives of the Trust are:

- Ensure that all academies exceed national expectations
- Reduce bureaucracy by the simplification of information systems
- An unwavering belief that all children can succeed.
- A commitment in making every child's well-being of paramount importance and a dedication to develop the whole child.
- Effective leadership and teaching are the keys to raising standards.
- Capacity and sustainability is created via effective succession planning.
- Share good practice across the Trust with an outward facing vision, to exploit opportunities to improve our practice, whilst providing support to our local communities.
- A commitment to providing life changing experiences that will ensure that every child's future success is built on today's achievement.
- Ensure good value for money

The Trust's main strategy is to provide comprehensive education for pupils of different abilities, in a learning environment utilising the best possible teaching facilities and staff. To this end the activities provided include:

- Training and learning opportunities for all staff, especially teaching staff
- Tuition and learning opportunities for all pupils to attain age appropriate academic qualifications and attainment
- A system of enrichment activities and after school clubs to allow pupils to explore in a practical and project orientated way.
- Support for pupils to transition to secondary education in the most appropriate way.

Public Benefit

The Potential in Everyone Academy Trust is a group of academies catering for children aged 4 to 11 and strives to promote and support the advancement of education. The academies provide an extensive programme of educational and recreational activities designed to contribute to the overall education of our children. Specifically, the academies work with a range of local charities and community organisations to develop community cohesion.

The Trustees have regard to the Charity Commissions guidance on Public Benefit Section 4 of the Charities Act 2011. The Trustees ensure that the Trust's activities are undertaken in line with the charitable objects and aims. The Trustees believe that the Trust's aims, together with the activities outlines above, are demonstrably to the public benefit.

Equal opportunities Policy

The Trustees recognise that equal opportunities are an integral part of good practice within the work place. The Trust aims to establish equal opportunities in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

**Potential in Everyone Academy Trust
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**Trustees' report (continued)
For the year ended 31 August 2018**

Strategic Report

Achievements and Performance

The Trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the Multi Academy Trust by the use of budgets and making major decisions about the strategic direction of the Trust in respect of capital expenditure.

The Trust opened on 1st August 2017, with 4 primary schools converting to academy schools on the 1st August 2017. The performance for the 4 schools in the first full year of the Trust are provided below:

Early Years Foundation Stage: Good Level Development: 2017-2018

Bredgar: 80% Borden: 94.7% The Oaks: 69.3%

Phonics: 2017-2018

School	Bredgar		Borden		The Oaks		Minterne
	Y1	Y2	Y1	Y2	Y1	Y2	
School Data	86.7%	40%	83.3%	100%	80.9%	27.3%	NA
National	82.5%	NA	82.5%	NA	82.5%	NA	NA

*NA – No retakes in Y2 NA: Not applicable

Key Stage 1: 2017-2018

School	Bredgar		Borden		The Oaks		Minterne
	Exp	GD	Exp	GD	Exp	GD	
Reading	80%	13.3%	88.9%	44.4%	74.7%	30.5%	NA
National	75.4%	25.6%	75.4%	25.6%	75.4%	25.6%	NA
Writing	80%	13.3%	88.9%	33.3%	68.4%	18.9%	NA
National	69.9%	15.9%	69.9%	15.9%	69.9%	15.9%	NA
Maths	73.3%	13.3%	88.9%	27.8%	70.5%	25.3%	NA
National	76.1%	21.8%	76.1%	21.8%	76.1%	21.8%	NA

exp: Expected GD: Greater Depth

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Trustees' report (continued)
For the year ended 31 August 2018

Key Stage 2: 2017 – 2018

School	Bredgar		Borden		Minterne		The Oaks
	Exp	High Score (110+)	Exp	High Score (110+)	Exp	High Score (110+)	
Reading	84.6%	30.8%	77.8%	33%	77.3%	29.9%	NA
National	75%	28%	75%	28%	75%	28%	NA
Writing	92.3%	Greater Depth 30.8%	94.4%	Greater Depth 27.8%	88.7%	Greater Depth 22.7%	NA
National	78%	20%	78%	20%	78%	20%	NA
	EXP	High Score (110+)	EXP	High Score (110+)	EXP	High Score (110+)	
Maths	92.3%	23.1%	77.8%	22.2%	66%	18.6%	NA
National	76%	24%	76%	24%	76%	24%	NA
GPS	84.6%	38.5%	83.3%	44.4%	76.3%	37.1%	NA
National	78%	34%	78%	34%	78%	34%	NA
Combined R/W/M	84.6%	Higher Standard 15.4%	77.8%	Higher Standard 11.1%	62.9%	Higher Standard 6.2%	NA
National R/W/M	64%	10%	64%	10%	64%	10%	NA

exp: Expected GD: Greater Depth

Key performance indicators

The current Ofsted judgements for the 4 schools within the Multi Academy Trust are as follows:

- Borden: Outstanding (2008)
- Bredgar: Good (January 2017)
- The Oaks: Good (January 2016)
- Minterne: Good (April 2014)

The current SIAMS judgements for the Church Schools are:

- Borden: Outstanding (July 2018)
- Bredgar: Outstanding (March 2017)

The trustees consider the following are key performance indicators for the Trust:

- Percentage of income received from ESFA spent on teaching staff;
- Percentage of income received from ESFA spent on total staff costs
- Pupil numbers (leading directly to ESFA funding level) and;
- General funding expenditure – aim for income to match expenditure each year

All key performance indicators listed have been successfully met during the period.

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Trustees' report (continued)
For the year ended 31 August 2018

Going Concern

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

Financial Review

Financial Report for the year

The Multi Academy Trust's income is obtained from 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 ESFA during the period ending 31 August 2018 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities. This includes other specific grants such as Pupil Premium, Sports Grant, Child related High Need Funding and Free School meals, which are received from the Local Authority.

In addition the Schools within the Trust receive donations from fund raising activities run by the Parent Teachers Associations, grants from local Charities and any income received on the success of project bids made to Government Funding opportunities.

During the period ended 31st August 2018 the total revenue expenditure was £5,242,418 and total incoming funds from the ESFA and other sources was £5,231,012.

At the 31st August 2018 the net book value of tangible fixed assets was £3,694,483. The assets were used exclusively for providing education and associated support services to the pupils of the Trust.

The Trust held fund balances at 31st August 2018 of £2,302,158, comprising £2,043,298 of restricted funds and £258,860 of unrestricted funds.

The trust is left with a cumulative revenue reserves of £339,587 to carry forward into 2018/19, and with a surplus forecast for the next year the trustees are confident that the trust remains on a sound financial footing.

In addition to the revenue funds and the pension deficit of £1,747,000 the trust has restricted fixed asset funds of £3,709,571 at the year end, much of this relates to the value of the school buildings which are carried on the balance sheet. Full details are shown in note 14 to the financial statements. The assets were used almost exclusively for providing education and the associated support services to the pupils of the trust's academies.

The pension reserve is therefore the only fund in deficit at 31 August 2018. The existence of a deficit does not mean an immediate liability will become payable, nor does it have a direct impact on the employer contribution rate paid, which is determined using longer term funding assumptions.

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Trustees' report (continued)
For the year ended 31 August 2018

Reserves Policy

The Trustees review the reserve levels of the Potential in Everyone Academy Trust annually.

This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of the reserves. The Trustees have determined that the approximate level of free reserves should be equivalent of 10 week's expenditure, currently around £951,620.

The PiEAT current level of reserves is £2,302,158 (total funds less amount held in fixed assets and pension deficit) is £339,587.

The current level of reserves is less than is needed. The Trust intends to continue building up reserves to the level required.

The Trust's defined pension scheme is in deficit (see note 21).

Investment Policy

Under the Articles of Association, the Potential in Everyone Academy Trust has the power to invest funds not immediately required for its own purpose, in any way the Trustees see fit.

The Trust does not currently hold any investments other than its positive cash.

The Trust holds cash balances and has a policy and objective to ensure balances are maintained to meet operational cash requirements so that any surplus is transferred to higher interest deposit accounts.

The banking facilities are reviewed on an annual basis.

Principal Risks and Uncertainties

The Trustees have a duty to identify and review the risks to which the Trust is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to teaching, provision of facilities, finances and other operational areas of the Trust.

The Trustees have implemented a number of systems to assess risk, including vetting of new staff and visitors, supervision of school grounds and internal financial controls in order to minimise risk.

Where significant risk still remains the Trustees have ensured that the Trust has adequate insurance cover. The Trust has an effective system of internal financial controls, which is explained in more detail in the Governance statement.

The Trust's exposure to financial risks is not material to the assessment of the Trust's assets, liabilities, financial position and its results, given the nature of the Trust and low risk and uncomplicated financial instruments used (bank account balances and trade creditors).

The restricted pension reserve was in deficit of £1,747,000. This deficit relates solely to the actuarial assessment, at £1,747,000, of Local Government Pension Scheme and future contribution rates have been agreed to reduce this deficit.