

Company registration number 12109048 (England and Wales)

**STEEL RIVER ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

# STEEL RIVER ACADEMY TRUST

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# STEEL RIVER ACADEMY TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Members

Julian Blakeley (Resigned 10 October 2021)  
Sally Hirst  
Martyn Petrie  
Gemma Simon (Resigned 27 April 2022)  
Ed Jones (Appointed 27 April 2022)  
Alyson Ascough (Appointed 27 April 2022)

### Trustees

A H Duncan  
P Jackson  
A K Mackenzie (Resigned 30 April 2022)  
S J Powell (Chair)  
A Ryalls  
J M Sinclair  
J A Wilkinson (Resigned 10 June 2022)  
K McDonald  
L Misajevich  
M A Williamson  
M Mellor (Appointed 1 November 2021)

### Senior management team

- Co CEO/Grangetown Headteacher	Jason Murgatroyd
- Co CEO/Bankfields Headteacher	Patricia Petrie
- Whale Hill Headteacher	Sandra Marsden
- Caedmon Headteacher	Sarah Hill
- CFO	Kathryn Stevenson

### Company secretary

K Stevenson

### Company registration number

12109048 (England and Wales)

### Registered office

c/o Grangetown Primary School  
St George Road  
Middlesbrough  
TS6 7JA

### Academies operated

Caedmon Primary School  
Bankfields Primary School  
Whale Hill Primary School  
Grangetown Primary School

### Location

Redcar & Cleveland  
Redcar & Cleveland  
Redcar & Cleveland  
Redcar & Cleveland

### Principal

Sarah Hill  
Patricia Petrie  
Sandra Marsden  
Jason Murgatroyd

### Independent auditor

Azets Audit Services  
Wynyard Park House  
Wynyard Avenue  
Wynyard  
TS22 5TB  
United Kingdom

# STEEL RIVER ACADEMY TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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**Bankers** Lloyds Bank plc Lloyds  
83 Linthorpe Road  
Middlesbrough  
TS1 5BU  
United Kingdom

**Solicitors** Muckle LLP  
Time Central  
32 Gallowgate  
Newcastle Upon Tyne  
Tyne And Wear  
NE1 4BF  
United Kingdom

# STEEL RIVER ACADEMY TRUST

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2022

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The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31st August 2022. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy trust operates 4 x primary academies in the North East. Its academies have a combined pupil capacity of 1554 and had a roll of 1355 in the school census on October 2022.

#### **Structure, governance and management**

##### Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Steel River Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Steel River Academy.

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

##### 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

The academy trust has purchased insurance to protect Trustees and governors from claims arising against negligent acts, errors or omissions occurring whilst on academy business.

##### Method of recruitment and appointment or election of trustees

Trustees are appointed by members in accordance with the academy's trust's Articles of Association. There is a legal minimum of three Trustees. The Board of Trustees assesses what expertise it requires to strengthen its activities and responsibilities and prospective trustees and governors are approached on that basis. Efforts are made to find locally based individuals who meet the required criteria.

##### Policies and procedures adopted for the induction and training of trustees

The training and induction provided for new trustees and governors depends on their existing experience. Where necessary, induction and training is provided on charity, educational, legal and financial matters. All new trustees and governors meet member of the key leadership personnel and are given a tour of the academy and the chance to meet with staff and students.

All trustees and governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role. As there might only be one or two new trustees or governors in any year, induction is tailored specifically to the individual.

##### Organisational structure

There are four levels of governance which are the members, the trustees and the executive team, together with the key leadership personnel and local governing bodies.

The academy trust has four members. The members determine the objects of the academy trust. The members also receive the annual report and financial statements. The members appoint trustees. The overriding role of the members is to oversee and hold the trustees to account.

# STEEL RIVER ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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The trustees determine the policies and ethos of the academy trust. They have an obligation to ensure high standards and hold the Local Governing Bodies to account for the performance of schools within the academy trust. The trustees ensure that sound and appropriate financial governance are in place, approve the academy trust budget and ensure high standards of probity in the management of public funds. The trustees approve the Annual report and Financial Statements.

The trustees appoint the Co CEOs. The Co CEOs are given delegated responsibility from trustees for the day to day operation and management of the academy trust. The Co CEOs have overarching responsibility for the performance of the academy trust and its staff. One Co CEO is also named individually as the academy trust's Accounting Officer. The role of the Co CEOs is supported by the Executive Team.

Reporting to the trustees, Local Governing Bodies are responsible for educational standards in their particular school. In their role in monitoring standards, they consider and approve self-evaluation of the school and oversee the school improvement plan.

The Local Governing Bodies of schools within the academy trust hold the key leadership personnel to account. In addition to monitoring the school performance, the Local Governing Body will identify a suitably skilled Governor to act as Safeguarding Governor, ensuring that safeguarding practice is in line with the academy trust's safeguarding policy.

#### Arrangements for setting pay and remuneration of key management personnel

The pay and remuneration of the academy's key leadership personnel are set against national leadership spine point scale, reflecting national pay awards. The key leadership personnel of schools in the academy trust have their performance appraisal carried out by the Headteacher. The Local Governing Bodies carry out appraisal of Headteachers and makes recommendations on pay to the Resources, Audit and Risk Committee. The Chair of trustees carries out the performance appraisal of the Co CEOs with pay determined by the trustees.

#### Trade union facility time

*There were no employees who were relevant union officials during this period.*

#### Related parties and other connected charities and organisations

The academy trust works alongside various local authorities. The academy trust has no connected organisations but does work with local charities in pursuit of the activities defined by the objects of the academy trust.

#### Engagement with employees (including disabled persons)

The academy trust is committed to ensuring equality of opportunity for all who learn and work here. We respect and value positive differences in race, gender, sexual orientation, ability, class and age. We strive vigorously to remove conditions which place people at a disadvantage.

The academy trust considers all application forms from disabled persons, bearing in mind the aptitudes of the individuals concerned. Where an existing employee becomes disabled, every effort is made to ensure that employment with the academy trust continues. The academy trust policy is to provide training, career development and opportunities for promotion, which are, as far as possible, identical to this for other employees.

The academy trust works with trade unions and professional associations across all our academies and engages in consultation, as required, to ensure that all aspects of the Charitable Company affecting its employees, including financial and economic factors, are discussed, conveyed and consulted on with them.

# STEEL RIVER ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### **Objectives and activities**

##### Objects and aims

The Academy Trust is responsible for the operation of four primary schools across Redcar and Cleveland Authority.

The Academy Trust aspires to ensure each of our schools delivers exceptional learning opportunities in their own way, but with shared values of learning, accountability, respect and integrity. Our strong support network ensures that although we serve children from a disadvantaged area, they have the same opportunities and support to succeed as those that enjoy more fortunate circumstances. We use creativity and innovation to broaden and deepen educational and social opportunities, so that our children leave us ready to succeed in the next phase of their educational journey and are prepared to participate fully in a modern workforce and a rapidly changing world. We prepare our children to make a positive impact on society, have an awareness of their place in the local community, and engage wholeheartedly in the world in which they live.

Each and every school is committed to creating a safe, happy, nurturing and inclusive environment; challenging everyone to foster a love of learning, curiosity, and belief in possibilities; and building a growth mindset so that we can all succeed, overcoming any barriers that might stand in our way.

We work hard to engage parents and carers and seek always to partner with them in educating their children throughout the whole educational journey.

Steel River ensures that strong collaboration, school to school support and the sharing of good practice is a key driver and is valued by all Trustees, leaders, teachers and staff within the Academy Trust. We work as a team to deliver the best possible education experiences for every pupil within the Academy Trust and to benefit the communities in which we serve.

##### Objectives, strategies and activities

1. Finance.
  - Review finance policies including financial handbook to strengthen practice across the trust.
  - Review Financial procedures within the financial software.
  - Strengthen admin support systems across the trust to ensure strong practice.
2. People
  - Ensure an effective high quality CPD programme is in place for staff at all levels that is aligned with the latest educational research and use of technologies.
  - Ensure a continuous programme of support for staff wellbeing is in place and embedded across the Trust.
  - Identify outstanding practitioners from across the trust to make up a comprehensive and diverse school Improvement team to support with improving outcomes for children.
3. Leadership
  - Develop a strong, knowledgeable and effective central leadership team who can offer appropriate support and challenge to secure an effective self-improvement system in all aspects of trust business.
  - Evaluate and expand the role of the Executive team and working parties across the trust to ensure strong leadership, consistency of approach and drive for school improvement
  - Develop subject leaders across the trust to support with the implementation of the wider curriculum and ensure they have the knowledge and expertise to support staff in further developing aspects of the curriculum and deepening the subject knowledge of staff
4. Curriculum/Outcomes
  - Ensure an effective and robust COVID-19 recovery plan is in place across all schools within the trust to ensure children catch up on lost learning and reach age related expectations.
  - Develop and implement a wider curriculum across the trust which is designed to meet the needs of children within each context, is well sequenced, progressive and ambitious, and where key knowledge is embedded at each stage of their learning and built upon throughout their educational journey.

# STEEL RIVER ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### Public benefit

The academy trust makes significant contribution by its teaching and other activities to the advancement of education for the on-going benefit for students aged 2 – 11 serving the catchment areas of Redcar and Cleveland on an open basis and set out in this report. Therefore, the trustees have complied with the duty under Section 4 of the Charity Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

#### Strategic report

##### Achievements and performance

##### Achievements and performance - Attendance Data 2021-2022

Whale Hill	93.4%
Caedmon	93.4%
Bankfields	94.1%
Grangetown	93.8%

There are 4 schools in the Steel River Academy Trust. Ofsted judgements show that all schools are graded as good. We have had two inspections in the last 12 months.

Attainment data for the Trust schools has been made available by the Data Company that we use to analyse data and can be seen below –

School/Trust	GLD	Phonics	KS1 - EXS		
			Reading	Writing	Maths
SRAT	46%	70%	57%	44%	61%
Bankfields	63%	73%	52%	52%	52%
Caedmon	38%	78%	60%	57%	66%
Grangetown	29%	57%	57%	53%	60%
Whalehill	47%	75%	56%	28%	61%

School/Trust	KS2 - EXS				KS2 - GDS			
	GPS	Rd	Wr	Mts	GPS	Rd	Wr	Mts
SRAT	79%	77%	79%	84%	27%	24%	12%	23%
Bankfields	88%	85%	85%	88%	46%	37%	17%	39%
Caedmon	67%	63%	63%	72%	9%	9%	0%	7%
Grangetown	91%	82%	82%	82%	27%	27%	15%	18%
Whalehill	75%	78%	83%	88%	26%	23%	16%	26%

The data generated has helped the Trust to draw comparisons with schools within the Trust as well as other schools and Academy Trusts across the North East, giving us a clear picture of strengths and weaknesses and identifying key improvement priorities for 2022-23

Schools have all identified reading as an area of concern and as a result, all schools have adopted an approved phonics programme and invested heavily in staff CPD and resources to enhance the provision of early reading.



# STEEL RIVER ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### Key performance indicators

The Key Performance Indicators (KPI) are set out in 6 different areas.

Area 1	Outcomes	Completed annually
Area 2	School Improvement	Updated termly
Area 3	Leadership	Majority annual, some termly update
Area 4	Safeguarding	Updated termly
Area 5	Financial	Updated termly
Area 6	Governance	

# STEEL RIVER ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Outcomes for Children		Evidence
KPI 1	Attainment & progress pupils (for the most recent year that data is available)	
1.1	EYFS - The percentage of pupils achieving a Good Level of Development is closer to pre-covid levels (within 5%)	60% or above
1.2	Year 1 Phonics screening - The percentage of pupils meeting the standard is close to pre-covid levels (within 5%)	75% or above
1.3	KS1 The percentage of pupils meeting the standard required in Reading is closer to pre-covid levels (within 5%)	73% or above
1.4	KS1 The percentage of pupils meeting the standard required in Writing is closer to pre covid levels (within 5%)	70%
1.5	KS1 The percentage of pupils meeting the standard required in Maths is closer to pre covid levels (within 5%)	74%
1.6	KS2 score in reading is in line or exceeds national figures	Data
1.7	KS2 score in writing is in line or exceeds national figures	Data
1.8	KS2 Progress score in maths is in line or exceeds national figures	Data
1.9	KS2 attainment of SEND pupils is in line or exceeds national SEND figures	Data
1.10	Attainment and progress of disadvantaged pupils is in line or exceeds national disadvantaged figures	Data
School Improvement		
KPI 2	The quality of education is of a consistently good standard	
2.1	The curriculum is ambitious, knowledge and skills are coherently planned and sequenced, meet the needs of all pupils, including those with SEND and disadvantaged in all subjects.	Data Reports from SIT Reviews
2.2	Teachers have sound subject knowledge, check pupils' understanding systematically, create an environment that focuses on pupils and plan teaching to help pupils remember long-term the content they have been taught.	Reports from Reviews Data Assessment records Monitoring records
2.3	Assessment is used well to help pupils embed and use knowledge fluently, informs teaching, identifies misconceptions and provides clear direct feedback.	Assessment Records Data Monitoring records
KPI 3	Each School judged as Good or Outstanding by Ofsted	Ofsted Reports
KPI 4	Each School judged as Good or Outstanding in SEF	School's SEF
KPI 5	School improvement increasingly led by system leaders	SIT Reviews SLT monitoring
5.2	An external review, alongside a peer review, has been undertaken within the last 12 months within the Academy	FH Reports
5.3	Subject Leaders have had appropriate professional development opportunities through CPD or Trust collaboration	CPD Records Network meetings Monitoring Records
5.4	Every Class Teacher has had appropriate support and training to develop their subject expertise and pedagogical knowledge.	CPD Records Observation Records coaching records
Leadership		
KPI 6	Trust Board members and LGB governors clearly understand their individual roles and responsibilities and are effective in their challenge and support	
6.1	Trust Board and LGB Members are well informed of the current performance of the school through performance and Standards Meetings	SEL and HT Reports TB/LGB Minutes
6.2	External Report on HT Performance Management shared with Trust Board and LGB. Targets are met and new challenging targets are set	Performance review reports Minutes of TB/LGB meetings
6.3	Appropriate CPD is sourced to nurture staff and for succession planning	CPD Records
6.4	Improved staff attendance from 21/22 figures	Attendance records HT reports to TB/LGB

# STEEL RIVER ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

KPI 7	External assessment	
7.1	Leadership is at least good in the Academy as judged by Ofsted	Ofsted Reports SEF External reports
7.2	Leadership is at least good in the Academy as judged by external validation	Ofsted Reports External consultant reports
<b>Welfare, behaviour and Safeguarding</b>		
KPI 8	Attendance figures are at least in line with national figures	Attendance Data
KPI 9	An external/Internal review of safeguarding has taken place, with the report shared with the Trust Board.	Safeguarding Report
KPI 10	All staff have undertaken training relevant to their role, as planned programme of CPD and directed by the Trust Safeguarding Team.	Training logs SG Team Minutes
KPI 11	An annual, external Health and Safety audit has been completed, with follow-up actions completed.	H&S reports Reports to TB/LGB
KPI 12	Permanent Exclusion and Suspension figures remain low and do not exceed national figures (2.4% suspensions, 0.04% permanent exclusions)	HT reports to TB/LGB
KPI 13	All children to have access to opportunities beyond the curriculum e.g. trips, residentials, competitive sports, theatre visits etc.	HT reports to LGB Curriculum planning
KPI 14	All schools to embed therapeutic strategies to support MHWB	MHWB termly report Behaviour data/records
<b>Finance</b>		
KPI 15	All staff have maintained a minimum reserves balance of 7% of GAG	Trust Financial Records
KPI 16	A financial plan is in place for all schools with a carry forward balance of 15% GAG or more	Budget plans Financial plans
KPI 17	All schools have a costed premises plan for maintenance, repairs and upgrades	Premises plans
KPI 18	Total staffing costs do not exceed 80% of schools' overall budget	Budget plans Benchmarking data
KPI 19	Cost of school leaders does not exceed 15% of schools' overall budget	Budget plans Benchmarking data
KPI 20	The required information regarding Pupil Premium impact and planning has been published on the website and reported to LGBs/Trustees.	Pupil Premium Strategy Statements TB/LGB minutes
KPI 21	The required information regarding Sport Premium impact and planning has been published on the website and reported to LGBs/Trustees	Sports Premium Strategy Minutes of LGB/TB meetings
<b>Governance</b>		
KPI 22	A range of skills are covered by members of the Trust board	Completed skills audit
KPI 23	The Trust Demonstrates Financial Probity in all aspects of Trust finance (audit reports have all elements highlighted in green or amber)	Internal/external audit reports
KPI 24	Consistent and Robust Finance performance is maintained in all schools	Financial reports Audit reports Budget plans
KPI 25	An internal audit is completed by all LGBs and SRAT TB to evaluate overall performance	Internal audits and action plans

# STEEL RIVER ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### Going concern

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

#### **Financial review**

The financial results of Steel River Academy Trust are detailed in the following pages. It is considered that finances are sound. The principal financial management policies adopted are laid down in the Academy Trust Handbook published by the ESFA.

The principal funding source is GAG income from the ESFA. All expenditures of the GAG income are planned to fulfil the objectives and strategies of the trust.

The trust accounts show that cash balances have been maintained during the year. There was significant school improvement works over the summer period including a CIF project reflected in the rising creditor balances at the year end. The trustees and school leadership team have reviewed revenue and capital expenditure across the schools. Each school has a Premises Development Plan to inform future CIF bids, and to ensure properties are well maintained to provide a suitable learning environment for pupils. We have procured major services across the year including IT Support, HR and Governance.

The KPIs are reviewed monthly and the Schools Resource Management Self-Assessment Tool has been used to inform school staffing and resource management plans.

Schools have invested in building improvements, computer equipment and infrastructure, to improve provision in the classroom.

During the year ended 31 August 2022 the trust had a total income of £9,151,214 over the four schools. Total resources expended were £9,783,369 leading to NET expenditure being £632,155.

At the 31 August 2022 the NET book Value of the fixed assets was £6,638,243. The assets were used exclusively for providing education and associated support services to the pupils of Steel River Academy Trust.

#### Reserves policy

There is a policy in place and the trustees will review the reserve levels of each academy annually. Our plan is to have 4% of Steel River Academy Trust's GAG funding in reserve, we are taking 4 yrs. to build up the reserves and we are in Year 3.

Each school provides 1% of their GAG funding each year to build the reserves and can access the reserves as and when needed through an application process. As the trust grows so will the reserves.

This will be treated as follows:

- Year One - 2020 – 2021: £60,535.46 end of year reserve.
- Year Two - 2021 – 2022: Planned approx. £121,070.92 (2%) end of year reserve.
- Year Three - 2022 – 2023: Planned approx. £181,606.38 (3%) end of year reserve.
- Year Four - 2023 – 2024: Planned £242,141.84 (approx. 4%) end of year reserve.

The reason for this is to provide sufficient working capital to cover any delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. Trustees will monitor the level of reserves of the trust throughout the year. Our actual reserves planned out above are on track to being met in the current and future years.

#### Investment policy

The trust holds all its surplus as cash to ensure it has sufficient liquid resources to meet the day to day needs of the trust. The trustees will keep this under review and will seek to ensure that returns on investment made in the future are maximised whilst still maintaining liquidity.

# STEEL RIVER ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### Principal risks and uncertainties

The principal risks and uncertainties facing the academy trust are recorded and monitored on an operational basis in each school's operational risk register which link into the academy trust's overall strategic risk register.

The trustees have assessed the major risks to which Steel River Academy Trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the trust and its finances. The key risks have been determined as:

#### **The Risks to the Trust are divided into five sections:**

- Strategic and Reputational Risks
- Financial Risks
- Compliance Risks
- Operational Risks
- Safeguarding

The trustees have implemented a number of systems to assess risk especially in operational areas and in relation to the control of finance. There are systems in place to minimise risks, including operational procedures (vetting of new staff and visitors) and internal financial controls. The risk register is discussed at all board and committee meetings so that all trustees are aware of risk and how it is contained.

#### **Fundraising**

Each member academy undertakes fundraising events. The work does not involve the use of any commercial participators or professional fundraisers. The academy trust adheres to all necessary legislation. Funds raised are monitored as part of the monthly management account process as well as by each individual school. No complaints have been received in year. All practices are compliant with Charity Commission guidance.

#### **Streamlined energy and carbon reporting**

As the trust has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

#### **Plans for future periods**

Steel River Academy Trust is committed to improving the educational outcomes for all children across all schools within the trust. The Trust Development Plan has been created with specific priorities in mind to further develop the leadership, governance, financial and academic outcomes of the trust.

The Trust will continue to develop the Trust Schools Improvement Team which is a successful peer review programme that has been developed using the existing, strong and qualified staff from within the Trust. The trust will benefit from closer working relationships between the schools, sharing good practice, offering support and challenge.

All schools will be focused on addressing the gaps in education which have been caused by the COVID 19 Pandemic. The schools will focus on their recovery curriculum ensuring an effective recovery curriculum is in place to ensure children catch up on lost learning and make accelerated progress using the additional funding to support both in school and outside of school through tutoring.

The trust is looking to develop the school's sites. We are applying for CIF funding to improve schools' sites across the trust and ensure that all buildings are fit for purpose.

The Trust will continue to develop partnerships working with other schools, including looking at the growth strategy and how we can work with and or support other schools.

#### **Funding Bids**

The trust is currently submitting CIF bids on behalf of three of the schools within the trust. The projects include roofing and heating.

# STEEL RIVER ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2022**

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### **Auditor**

In so far as the trustees are aware:

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

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 31.8.22 and signed on its behalf by:



.....  
S J Powell  
Chair

# STEEL RIVER ACADEMY TRUST

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2022**

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### Scope of responsibility

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

As trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The board of trustees has delegated the day-to-day responsibility to the Co CEO, 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 Steel River Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 5 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
A H Duncan	3	5
P Jackson	3	5
A K Mackenzie (Resigned 30 April 2022)	1	3
S J Powell (Chair)	4	5
A Ryalls	3	5
J M Sinclair	4	5
J A Wilkinson (Resigned 10 June 2022)	0	4
K McDonald	4	5
L Misaljevich	3	5
M A Williamson	4	5
M Mellor (Appointed 1 November 2021)	3	4

# STEEL RIVER ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

The full Trust board have met more than the recommended 3 times across the year. If we include the Finance, Audit and Risk Committee which has met 3 times and the Performance and Standards Committee which has also met 3 times, trustees have had the opportunity to meet on 11 occasions across the year. This has allowed us to maintain effective oversight of funds.

Skills audit has been completed by the Trustees and LGB. Training is offered to all on a regular basis via Redcar and Cleveland Governor Support Services. We have also signed up the National Governors Association training package which all can access. We are planning on having an external review during the spring term of 2022-23.

Trust Improvement Plans and School Improvement Plans are shared with Trustees and LGB members annually and reviewed on a termly basis. Co CEO's and HTs report on the actions and outcomes.

Issues dealt with this year

- The ongoing development of schools and how they have continued to close the gaps after COVID.
- Re writing and sharing of the Scheme of delegation. This has been discussed and approved at all levels of governance and leadership.
- Improvement of Risk Register.
- Rising costs in living, including pay rises and energy rises.
- The application of CIF Bids for schools across the trust.
- Procurement of services.

The Finance Audit and Risk Committee is a sub-committee of the main board of trustees.

The Finance Audit and Risk Committee has been established to take a strategic overview of the academy trust's finances and resources, including establishing staffing structures, budget setting, financial reporting and the monitoring of internal controls and accountability policies. It will ensure the financial stability of individual academies and the academy trust. The committee is responsible for recommending financial policies, goals, and budgets that support the mission, values and strategic goals of the trust. The committee also reviews the trust's financial performance against its goals and proposes major transactions and initiatives to the board of trustees.

The principal priorities of the Finance, Audit and Risk Committee include being responsible for:

- Budget setting and financial management of the Academy, including any subsidiary or connected undertakings
- Audit and statutory financial submissions
- Monitoring implements of performance management processes
- Staffing – including pay policy, cost and deployment
- Health & Safety matters
- Relevant policies

Attendance at meetings in the year was as follows:

<b>FINANCE, AUDIT AND RISK COMMITTEE</b>					
<b>SURNAME</b>	<b>FORENAME</b>	<b>Possible Meetings</b>	<b>Attended</b>	<b>Not Attended Absence Consented</b>	<b>Not Attended Absence not Consented</b>
MCDONALD	Kathleen	3	3	0	0
POWELL	Jane	3	2	1	0
SINCLAIR	Joy	3	3	0	0
WILKINSON	Julie	3	0	3	0



# STEEL RIVER ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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The performance and standards committee is also a sub-committee of the main board of trustees.

The purpose of the Performance and Standards Committee is to ensure that the trustees have up to date and accurate knowledge (including both internal and external data) to make informed strategic decisions about the quality of provision in terms of academic attainment and progress and personal development, behaviour and welfare. This understanding will enable them to challenge senior leaders and staff with relevant responsibilities in these areas. The principal priorities of the committee include being responsible for:

- curriculum and results analysis
- quality of teaching and learning and impact on academic progress
- safeguarding
- special educational needs
- closing the Gap/ PPG
- pastoral quality assurance process and outcomes
- SMCS and British Values
- behaviour
- stakeholder relationships
- all associated statutory policies

Attendance at meetings in the year was as follows:

PERFORMANCE AND STANDARDS COMMITTEE					
SURNAME	FORENAME	Possible Meetings	Attended	Not Attended Absence Consented	Not Attended Absence not Consented
DUNCAN	Alex	3	3	0	0
JACKSON	Pauline	3	2	1	0
MELLOR	Melanie	2	2	0	0
RYALLS	Ann	3	2	1	0
WILLIAMSON	Michelle	3	2	1	0

#### Conflicts of interest

Steel River Academy Trust maintain a complete and up to date register of interests and we use this in meetings and ask trustees if they can declare interests in decision making. Any related party transactions are disclosed in the financial statements.

#### Governance reviews

##### Review of value for money

As accounting officer, the Co CEO 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.

# STEEL RIVER ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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The accounting officer considers how the academy trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the academy trust has delivered improved value for money during the year by:

- Each school has reviewed contracts and SBMs and CFO has put together a contract register to show which SLAs need to be adopted centrally with an initial timetable put together. We have reviewed SLA's for the following examples -
  - o Governance
  - o ICT Supplier
  - o Payroll
  - o Photocopiers
- Each school has continued to develop a premises development plan prioritising work and allowing time to get value for money.
- The trust has in place a finance policy and procedure document highlighting what schools need to do when going through the procurement process to ensure value for money.
- Working closely with the Headteachers of each school to ensure that once positions become vacant, there is an appropriate level of scrutiny to determine best value in finding a replacement post.

#### **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 Steel River Academy Trust for the year ended 31st August 2022 and up to the date of approval of the annual report and financial statements.

#### **Capacity to handle risk**

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ended 31st August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

#### **The risk and control framework**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees
- regular reviews by the finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

# STEEL RIVER ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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The board of trustees have employed Internal Auditors to carry out specific functions. We used the Academy Trust Handbook, our own procedures and advice from the auditor to set the programme. The trust hired JGT Auditors and they conducted 3 visits across the year coming in once every term.

The auditor's role included 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 include -

- Governance Arrangements
- Financial Planning
- Budgetary Control
- Income Controls and Transactions
- Expenditure Controls and Transactions
- Data / IT Security

We had three visits during the year, one in the Autumn term of 2021 one in the Spring Term 2022 and one in the Summer Term of 2022. Each visit highlighted risks found and an action plan to mitigate the risks. Each audit report was shared with the Finance, Audit and Risk Committee Termly and also with the Trust Board. Both the CAO and the CFO reported on the actions and the progress made against each action on a termly basis. There were no significant risks raised and our overall level of assurance was rated as Substantial.

The auditor reports to the board of trustees, through the audit committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

#### Review of effectiveness

As accounting officer, the Co CEO 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 auditor
- the work of the internal auditor who has been vetted and approved by the members and trustees.
- the financial management and governance self-assessment process or the school resource management self-assessment tool
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework

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

Approved by order of the board of trustees on 5.12.22 and signed on its behalf by:

S J Powell  
Chair



Mr J Murgatroyd  
Accounting Officer



# **STEEL RIVER ACADEMY TRUST**

## **STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2022**

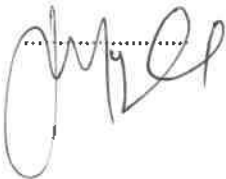
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As accounting officer of Steel River Academy Trust, I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding 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 Academy Trust Handbook 2021.

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

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

Mr J Murgatroyd  
Accounting Officer



# STEEL RIVER ACADEMY TRUST

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

### FOR THE YEAR ENDED 31 AUGUST 2022

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The trustees (who are also the directors of Steel River Academy Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2021 to 2022 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the trustees are required to:

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

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

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

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

Approved by order of the members of the board of trustees on 8-12-22 and signed on its behalf by:



S J Powell  
Chair

# STEEL RIVER ACADEMY TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STEEL RIVER ACADEMY TRUST

**FOR THE YEAR ENDED 31 AUGUST 2022**

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### **Opinion**

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

In our opinion the accounts:

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

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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

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

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

### **Other information**

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

We have nothing to report in this regard.

# STEEL RIVER ACADEMY TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STEEL RIVER ACADEMY TRUST (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2022**

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### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

### **Matters on which we are required to report by exception**

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

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

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

### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error. In preparing the accounts, the trustees are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the accounts**

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

# STEEL RIVER ACADEMY TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STEEL RIVER ACADEMY TRUST (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2022**

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### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of senior leadership, Governors/Trustees and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations including compliance with the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency;
- Performing audit work over the recognition of grant income and the allocation of expenditure to funds;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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



# STEEL RIVER ACADEMY TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STEEL RIVER ACADEMY TRUST (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2022**

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### Use of our report

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



Angela Ingham FCA (Senior Statutory Auditor)  
for and on behalf of Azets Audit Services

14/12/2022

Chartered Accountants  
Statutory Auditor

Wynyard Park House  
Wynyard Avenue  
Wynyard  
United Kingdom  
TS22 5TB

# **STEEL RIVER ACADEMY TRUST**

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO STEEL RIVER ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

***FOR THE YEAR ENDED 31 AUGUST 2022***

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In accordance with the terms of our engagement letter dated 11 July 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Steel River Academy Trust during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Respective responsibilities of Steel River Academy Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Steel River Academy Trust's funding agreement with the Secretary of State for Education dated 27 August 2019 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Approach**

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

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

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

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

## STEEL RIVER ACADEMY TRUST

### INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO STEEL RIVER ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2022**


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The work undertaken to draw to our conclusion includes:

- completion of self assessment questionnaire by Accounting Officer
- discussions with the Accounting Officer and finance team
- review of Internal Audit reports
- review of trustee and committee meeting minutes
- review of finance and other relevant policies
- review of purchases, expenses and expense claims on a sample basis including the application of controls and tendering processes where applicable
- review of gifts and hospitality transactions including the application of controls
- review of credit and debit card transactions including the application of controls
- review of payroll transactions on a sample bases including the application of controls
- review of potential special payments to staff
- review of leases and consideration of areas where borrowing may have been incurred
- consideration of transactions with related and connected parties
- review of register of business interests for completeness and compliance with regulations
- enquiries into transactions that may require disclosure under ESFA delegated authority rules
- consideration of value for money and appropriateness of transactions

#### Conclusion

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



Reporting Accountant  
Azets Audit Services

Dated: 14/12/2022

# STEEL RIVER ACADEMY TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted funds £	Restricted funds: General £	Fixed asset £	Total 2022 £	Total 2021 £
<b>Income and endowments from:</b>						
Donations and capital grants	3	25,942	-	164,591	190,533	135,898
Charitable activities:						
- Funding for educational operations	4	61,615	8,774,170	-	8,835,785	8,725,042
Other trading activities	5	124,626	-	-	124,626	65,888
Investments	6	270	-	-	270	143
<b>Total</b>		<b>212,453</b>	<b>8,774,170</b>	<b>164,591</b>	<b>9,151,214</b>	<b>8,926,971</b>
<b>Expenditure on:</b>						
Raising funds	7	121,392	-	-	121,392	91,972
Charitable activities:						
- Educational operations	9	43,376	9,306,730	311,871	9,661,977	8,615,112
<b>Total</b>	<b>7</b>	<b>164,768</b>	<b>9,306,730</b>	<b>311,871</b>	<b>9,783,369</b>	<b>8,707,084</b>
<b>Net income/(expenditure)</b>		<b>47,685</b>	<b>(532,560)</b>	<b>(147,280)</b>	<b>(632,155)</b>	<b>219,887</b>
Transfers between funds	17	-	(9,658)	9,658	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial gains/(losses) on defined benefit pension schemes	19	-	4,191,000	-	4,191,000	(127,000)
Derecognise pension asset		-	(58,000)	-	(58,000)	-
<b>Net movement in funds</b>		<b>47,685</b>	<b>3,590,782</b>	<b>(137,622)</b>	<b>3,500,845</b>	<b>92,887</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		913,013	(2,604,170)	6,775,865	5,084,708	4,991,821
Total funds carried forward		960,698	986,612	6,638,243	8,585,553	5,084,708

# STEEL RIVER ACADEMY TRUST

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

Comparative year information Year ended 31 August 2021	Notes	Unrestricted funds £	Restricted funds: General    Fixed asset £            £		Total 2021 £
<b>Income and endowments from:</b>					
Donations and capital grants	3	22,934	-	112,964	135,898
Charitable activities:					
- Funding for educational operations	4	56,138	8,668,904	-	8,725,042
Other trading activities	5	65,888	-	-	65,888
Investments	6	143	-	-	143
<b>Total</b>		<u>145,103</u>	<u>8,668,904</u>	<u>112,964</u>	<u>8,926,971</u>
<b>Expenditure on:</b>					
Raising funds	7	91,972	-	-	91,972
Charitable activities:					
- Educational operations	9	29,548	8,337,726	247,838	8,615,112
<b>Total</b>	7	<u>121,520</u>	<u>8,337,726</u>	<u>247,838</u>	<u>8,707,084</u>
<b>Net income/(expenditure)</b>		23,583	331,178	(134,874)	219,887
Transfers between funds	17	-	(304,192)	304,192	-
<b>Other recognised gains/(losses)</b>					
Actuarial losses on defined benefit pension schemes	19	-	(127,000)	-	(127,000)
<b>Net movement in funds</b>		23,583	(100,014)	169,318	92,887
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>889,430</u>	<u>(2,504,156)</u>	<u>6,606,547</u>	<u>4,991,821</u>
Total funds carried forward		<u>913,013</u>	<u>(2,604,170)</u>	<u>6,775,865</u>	<u>5,084,708</u>

# STEEL RIVER ACADEMY TRUST

## BALANCE SHEET

AS AT 31 AUGUST 2022

		2022		2021	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	13		6,638,243		6,775,865
<b>Current assets</b>					
Debtors	14	409,855		405,848	
Cash at bank and in hand		2,274,562		1,818,440	
		<u>2,684,417</u>		<u>2,224,288</u>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	15	(737,107)		(397,445)	
<b>Net current assets</b>			<u>1,947,310</u>		<u>1,826,843</u>
<b>Net assets excluding pension liability</b>			<u>8,585,553</u>		<u>8,602,708</u>
Defined benefit pension scheme liability	19		-		(3,518,000)
<b>Total net assets</b>			<u>8,585,553</u>		<u>5,084,708</u>
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>	17				
- Fixed asset funds			6,638,243		6,775,865
- Restricted income funds			986,612		913,830
- Pension reserve			-		(3,518,000)
<b>Total restricted funds</b>			<u>7,624,855</u>		<u>4,171,695</u>
<b>Unrestricted income funds</b>	17		<u>960,698</u>		<u>913,013</u>
<b>Total funds</b>			<u>8,585,553</u>		<u>5,084,708</u>

The accounts on pages 26 to 50 were approved by the trustees and authorised for issue on 5.11.22 and are signed on their behalf by:



S J Powell  
Chair

Company registration number 12109048

# STEEL RIVER ACADEMY TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

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	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Net cash provided by operating activities	20		465,510		856,154
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		270		143	
Capital grants from DfE Group		164,591		32,304	
Purchase of tangible fixed assets		(174,249)		(336,496)	
<b>Net cash used in investing activities</b>			(9,388)		(304,049)
<b>Net increase in cash and cash equivalents in the reporting period</b>			456,122		552,105
Cash and cash equivalents at beginning of the year			1,818,440		1,266,335
<b>Cash and cash equivalents at end of the year</b>			<u>2,274,562</u>		<u>1,818,440</u>

# STEEL RIVER ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### 1 Accounting policies

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

##### 1.1 Basis of preparation

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

##### 1.2 Going concern

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

##### 1.3 Income

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

###### Grants

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

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

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

###### Sponsorship income

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

###### Donations

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

###### Other income

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



# STEEL RIVER ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 1 Accounting policies

(Continued)

#### Donated goods, facilities and services

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

#### Donated fixed assets

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

### 1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

#### Expenditure on raising funds

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

#### 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.

### 1.5 Tangible fixed assets and depreciation

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 that require the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

# STEEL RIVER ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### 1 Accounting policies

(Continued)

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

Land and buildings	50 years
Computer equipment	3 years
Fixtures, fittings & equipment	5 years

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

#### 1.6 Liabilities

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

#### 1.7 Leased assets

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

#### 1.8 Financial instruments

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

##### Financial assets

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

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

##### Financial liabilities

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

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

#### 1.9 Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### 1.10 Pensions benefits

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

# STEEL RIVER ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### 1 Accounting policies

(Continued)

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

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

#### 1.11 Fund accounting

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

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

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

#### 2 Critical accounting estimates and areas of judgement

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

##### Critical accounting estimates and assumptions

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

# STEEL RIVER ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### 2 Critical accounting estimates and areas of judgement

(Continued)

##### Local Government Pension Scheme

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, 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 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

##### Depreciation

Depreciation is calculated as to write off the cost of an asset off over its useful economic life. The accounting policies are disclosed in the accounting policy above.

#### 3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Donated fixed assets	-	-	-	80,660
Capital grants	-	164,591	164,591	32,304
Other donations	25,942	-	25,942	22,934
	<u>25,942</u>	<u>164,591</u>	<u>190,533</u>	<u>135,898</u>

# STEEL RIVER ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 4 Funding for the academy trust's charitable activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
<b>DfE/ESFA grants</b>				
General annual grant (GAG)	-	6,459,745	6,459,745	6,151,546
Other DfE/ESFA grants:				
- UIFSM	-	91,608	91,608	92,700
- Pupil premium	-	1,023,643	1,023,643	1,022,650
- PE and sports premium	-	75,200	75,200	75,600
- Rates	-	21,606	21,606	21,608
- Teachers pension grant	-	26,640	26,640	70,981
- Teachers pay grant	-	9,427	9,427	200,565
- Others	-	115,019	115,019	71,535
ESFA supplementary grant	-	83,199	83,199	-
	-	7,906,087	7,906,087	7,707,185
<b>Other government grants</b>				
Local authority grants	-	759,303	759,303	857,079
<b>COVID-19 additional funding</b>				
<b>DfE/ESFA</b>				
Other DfE/ESFA COVID-19 funding	-	108,780	108,780	104,640
<b>Other funding</b>				
Catering income	43,376	-	43,376	29,548
Other incoming resources	18,239	-	18,239	26,590
	61,615	-	61,615	56,138
<b>Total funding</b>	61,615	8,774,170	8,835,785	8,725,042

### 5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Hire of facilities	24,076	-	24,076	22,971
Catering income	526	-	526	261
Parental contributions	43,998	-	43,998	9,748
Other income	56,026	-	56,026	32,908
	124,626	-	124,626	65,888

# STEEL RIVER ACADEMY TRUST

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

6	Investment Income	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £	
	Short term deposits	270	-	270	143	
<hr/>						
7	Expenditure	Staff costs £	Non-pay expenditure Premises £	Other £	Total 2022 £	Total 2021 £
	Expenditure on raising funds					
	- Direct costs	52,310	-	69,082	121,392	91,972
	Academy's educational operations					
	- Direct costs	5,998,796	-	483,750	6,482,546	6,012,914
	- Allocated support costs	1,386,411	1,130,738	662,282	3,179,431	2,602,198
		<u>7,437,517</u>	<u>1,130,738</u>	<u>1,215,114</u>	<u>9,783,369</u>	<u>8,707,084</u>
<hr/>						
	<b>Net income/(expenditure) for the year includes:</b>			<b>2022</b>	<b>2021</b>	
				£	£	
	Fees payable to auditor for:					
	- Audit			11,750	7,350	
	- Other services			4,750	2,600	
	Operating lease rentals			31,172	39,020	
	Depreciation of tangible fixed assets			311,871	247,838	
	Net interest on defined benefit pension liability			65,000	49,000	
				<u>65,000</u>	<u>49,000</u>	

### 8 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 services; or
- others as arising.

During the year ended 31 August 2022 the academy trust charged fees for the services provided at 4.5% (2021: 3%) of GAG income.

# STEEL RIVER ACADEMY TRUST

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

<b>8</b>	<b>Central services</b>	<b>(Continued)</b>		
	The amounts charged during the year were as follows:	<b>2022</b>	<b>2021</b>	
		<b>£</b>	<b>£</b>	
	Caedmon Primary School	78,746	44,886	
	Bankfields Primary School	60,151	34,824	
	Whale Hill Primary School	104,631	63,966	
	Grangetown Primary School	77,152	37,930	
		<u>320,680</u>	<u>181,606</u>	
<b>9</b>	<b>Charitable activities</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>
		<b>funds</b>	<b>funds</b>	<b>2022</b>
		<b>£</b>	<b>£</b>	<b>£</b>
	<b>Direct costs</b>			
	Educational operations	-	6,482,546	6,482,546
	<b>Support costs</b>			
	Educational operations	43,376	3,136,055	3,179,431
		<u>43,376</u>	<u>9,618,601</u>	<u>9,661,977</u>
			<b>2022</b>	<b>2021</b>
			<b>£</b>	<b>£</b>
	<b>Analysis of support costs</b>			
	Support staff costs		1,387,658	1,201,026
	Depreciation		311,871	247,838
	Premises costs		818,867	516,174
	Legal costs		11,318	3,630
	Other support costs		624,029	608,569
	Governance costs		25,688	24,961
			<u>3,179,431</u>	<u>2,602,198</u>

# STEEL RIVER ACADEMY TRUST

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

### 10 Staff

#### Staff costs

Staff costs during the year were:

	2022 £	2021 £
Wages and salaries	5,233,394	4,917,029
Social security costs	490,097	452,665
Pension costs	1,610,974	1,392,658
Staff costs - employees	7,334,465	6,762,352
Agency staff costs	101,030	89,809
Staff restructuring costs	2,022	14,026
Staff development and other staff costs	7,437,517	6,866,187
	76,511	60,144
Total staff expenditure	7,514,028	6,926,331

Staff restructuring costs comprise:

Redundancy payments	2,022	14,026
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#### Staff numbers

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

	2022 Number	2021 Number
Teachers	80	74
Administration and support	127	125
Management	16	17
	223	216

#### Higher paid staff

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

	2022 Number	2021 Number
£60,001-£70,000	2	2
£70,001-£80,000	3	2



# STEEL RIVER ACADEMY TRUST

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

### 10 Staff

(Continued)

#### Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £429,235 (2021: £502,752).

### 11 Trustees' remuneration and expenses

None of the trustees has been paid remuneration or has received other benefits from an employment with the academy trust (2021: £nil).

### 12 Trustees' and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2022 was £288 (2021: £258). The cost of this insurance is included in the total insurance cost.

### 13 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£
<b>Cost</b>				
At 1 September 2021	6,595,871	315,845	328,767	7,240,483
Additions	82,740	52,649	38,860	174,249
At 31 August 2022	6,678,611	368,494	367,627	7,414,732
<b>Depreciation</b>				
At 1 September 2021	253,095	105,536	105,987	464,618
Charge for the year	129,500	113,797	68,574	311,871
At 31 August 2022	382,595	219,333	174,561	776,489
<b>Net book value</b>				
At 31 August 2022	6,296,016	149,161	193,066	6,638,243
At 31 August 2021	6,342,776	210,309	222,780	6,775,865

# STEEL RIVER ACADEMY TRUST

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

<b>14 Debtors</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade debtors	17,898	1,628
VAT recoverable	86,959	77,988
Other debtors	-	4,000
Prepayments and accrued income	304,998	322,232
	<u>409,855</u>	<u>405,848</u>
<b>15 Creditors: amounts falling due within one year</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade creditors	172,494	136,187
Other taxation and social security	116,929	108,575
Other creditors	120,648	-
Accruals and deferred income	327,036	152,683
	<u>737,107</u>	<u>397,445</u>
<b>16 Deferred income</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Deferred income is included within:		
Creditors due within one year	<u>66,964</u>	<u>68,068</u>
Deferred income at 1 September 2021	68,068	84,216
Released from previous years	(68,068)	(84,216)
Resources deferred in the year	<u>66,964</u>	<u>68,068</u>
<b>Deferred income at 31 August 2022</b>	<u><u>66,964</u></u>	<u><u>68,068</u></u>

Deferred income comprises rates relief and universal infants' free school meals for the 2022-2023 academic year received in advance.

# STEEL RIVER ACADEMY TRUST

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

### 17 Funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	910,810	6,459,745	(6,374,285)	(9,658)	986,612
UIFSM	-	91,608	(91,608)	-	-
Pupil premium	-	1,023,643	(1,023,643)	-	-
Other DfE/ESFA COVID-19 funding	-	108,780	(108,780)	-	-
Other DfE/ESFA grants	-	115,019	(115,019)	-	-
Other government grants	-	759,303	(759,303)	-	-
Teachers pension	-	26,640	(26,640)	-	-
Teachers pay grant	-	9,427	(9,427)	-	-
PE and sports premium	3,020	75,200	(78,220)	-	-
Rates	-	21,606	(21,606)	-	-
ESFA supplementary grant	-	83,199	(83,199)	-	-
Pension reserve	(3,518,000)	-	(615,000)	4,133,000	-
	<u>(2,604,170)</u>	<u>8,774,170</u>	<u>(9,306,730)</u>	<u>4,123,342</u>	<u>986,612</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	6,176,139	-	(188,369)	-	5,987,770
DfE group capital grants	58,387	164,591	(12,138)	(132,886)	77,954
Capital expenditure from GAG	459,089	-	(84,198)	142,544	517,435
Private sector capital sponsorship	82,250	-	(27,166)	-	55,084
	<u>6,775,865</u>	<u>164,591</u>	<u>(311,871)</u>	<u>9,658</u>	<u>6,638,243</u>
<b>Total restricted funds</b>	<u>4,171,695</u>	<u>8,938,761</u>	<u>(9,618,601)</u>	<u>4,133,000</u>	<u>7,624,855</u>
<b>Unrestricted funds</b>					
General funds	<u>913,013</u>	<u>212,453</u>	<u>(164,768)</u>	<u>-</u>	<u>960,698</u>
<b>Total funds</b>	<u>5,084,708</u>	<u>9,151,214</u>	<u>(9,783,369)</u>	<u>4,133,000</u>	<u>8,585,553</u>

# STEEL RIVER ACADEMY TRUST

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

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### 17 Funds

(Continued)

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

General Annual Grant must be used for the normal running costs of the academy.

Other government grants include income for pupils with special educational needs, early years funding and pupil premium received from the local authority.

DfE/ESFA Capital Grants consists of the devolved capital grant which has been spent on asset additions in the year and CIF income for drainage repairs.

The Inherited Fixed Asset Fund reflects the fixed assets acquired from Local Authorities on conversion. Depreciation on these assets is charged against this fund.

At 31 August 2022 the academy had restricted general and unrestricted funds of £1,947,310.

# STEEL RIVER ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### 17 Funds

(Continued)

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	449,170	6,151,546	(5,385,714)	(304,192)	910,810
UIFSM	-	92,700	(92,700)	-	-
Pupil premium	-	1,022,650	(1,022,650)	-	-
Other DfE/ESFA grants	-	71,625	(71,625)	-	-
Other government grants	2,674	857,079	(859,753)	-	-
Teachers pension	-	70,891	(70,891)	-	-
Teachers pay grant	-	200,565	(200,565)	-	-
PE and sports premium	-	75,600	(72,580)	-	3,020
Rates	-	21,608	(21,608)	-	-
Catch up premium	-	104,640	(104,640)	-	-
Pension reserve	(2,956,000)	-	(435,000)	(127,000)	(3,518,000)
	<u>(2,504,156)</u>	<u>8,668,904</u>	<u>(8,337,726)</u>	<u>(431,192)</u>	<u>(2,604,170)</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	6,384,795	-	(208,656)	-	6,176,139
DfE group capital grants	30,844	32,304	(4,761)	-	58,387
Capital expenditure from GAG	178,158	-	(31,421)	312,352	459,089
Private sector capital sponsorship	12,750	80,660	(3,000)	(8,160)	82,250
	<u>6,606,547</u>	<u>112,964</u>	<u>(247,838)</u>	<u>304,192</u>	<u>6,775,865</u>
<b>Total restricted funds</b>	<u>4,102,391</u>	<u>8,781,868</u>	<u>(8,585,564)</u>	<u>(127,000)</u>	<u>4,171,695</u>
<b>Unrestricted funds</b>					
General funds	<u>889,430</u>	<u>145,103</u>	<u>(121,520)</u>	<u>-</u>	<u>913,013</u>
<b>Total funds</b>	<u>4,991,821</u>	<u>8,926,971</u>	<u>(8,707,084)</u>	<u>(127,000)</u>	<u>5,084,708</u>

# STEEL RIVER ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### 17 Funds

(Continued)

##### Total funds analysis by academy

	2022	2021
	£	£
Fund balances at 31 August 2022 were allocated as follows:		
Caedmon Primary School	617,088	504,454
Bankfields Primary School	197,509	205,490
Whale Hill Primary School	430,940	532,212
Grangetown Primary School	568,516	526,150
Central services	133,257	58,537
	<u>1,947,310</u>	<u>1,826,843</u>
Total before fixed assets fund and pension reserve	1,947,310	1,826,843
Restricted fixed asset fund	6,638,243	6,775,865
Pension reserve	-	(3,518,000)
	<u>8,585,553</u>	<u>5,084,708</u>
Total funds	8,585,553	5,084,708

##### Total cost analysis by academy

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

	Teaching and educational support staff	Other support staff costs	Educational supplies	Other costs excluding depreciation	Total 2022	Total 2021
	£	£	£	£	£	£
Caedmon Primary School	1,352,412	218,779	93,537	422,252	2,086,980	1,697,612
Bankfields Primary School	1,058,549	157,049	72,435	258,417	1,546,450	1,505,650
Whale Hill Primary School	2,099,368	252,048	151,355	425,729	2,928,500	2,762,153
Grangetown Primary School	1,389,627	232,796	91,158	275,081	1,988,662	1,920,588
Central services	167,014	36,384	-	102,508	305,906	138,243
	<u>6,066,970</u>	<u>897,056</u>	<u>408,485</u>	<u>1,483,987</u>	<u>8,856,498</u>	<u>8,024,246</u>

#### 18 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	-	-	6,638,243	6,638,243
Current assets	960,698	1,723,719	-	2,684,417
Current liabilities	-	(737,107)	-	(737,107)
	<u>960,698</u>	<u>986,612</u>	<u>6,638,243</u>	<u>8,585,553</u>
<b>Total net assets</b>	960,698	986,612	6,638,243	8,585,553

# STEEL RIVER ACADEMY TRUST

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

### 18 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
<b>Fund balances at 31 August 2021 are represented by:</b>				
Tangible fixed assets	-	-	6,775,865	6,775,865
Current assets	913,013	1,311,275	-	2,224,288
Current liabilities	-	(397,445)	-	(397,445)
Pension scheme liability	-	(3,518,000)	-	(3,518,000)
<b>Total net assets</b>	<b>913,013</b>	<b>(2,604,170)</b>	<b>6,775,865</b>	<b>5,084,708</b>

### 19 Pension and similar obligations

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 31 March 2019.

Contributions amounting to £120,648 were payable to the schemes at 31 August 2022 (2021: £Nil) and are included within creditors.

#### Teachers' Pension Scheme

##### Introduction

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

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

##### 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.

# STEEL RIVER ACADEMY TRUST

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

### 19 Pension and similar obligations

(Continued)

The key elements of the valuation and subsequent consultation are:

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

The next valuation result is due to be implemented from 1 April 2024.

The employer's pension costs paid to the TPS in the period amounted to £802,286 (2021: £782,119).

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

Under the definitions set out in FRS 102, the TPS is 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 contributions are as noted below. The agreed contribution rates for future years are 17.5% for employers and 5.5 to 12.5% for employees.

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

<b>Total contributions made</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Employer's contributions	254,000	225,000
Employees' contributions	84,000	74,000
	<hr/>	<hr/>
Total contributions	338,000	299,000
	<hr/>	<hr/>

<b>Principal actuarial assumptions</b>	<b>2022</b>	<b>2021</b>
	<b>%</b>	<b>%</b>
Rate of increase in salaries	4.20	3.70
Rate of increase for pensions in payment/inflation	3.20	2.70
Discount rate for scheme liabilities	4.25	1.70
Inflation assumption (CPI)	3.20	2.70
	<hr/>	<hr/>



# STEEL RIVER ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### 19 Pension and similar obligations

(Continued)

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

	2022 Years	2021 Years
Retiring today		
- Males	21.7	21.9
- Females	23.5	23.6
Retiring in 20 years		
- Males	22.9	23.3
- Females	25.3	25.4

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

	2022	2021
Discount rate + 0.1%	5,295,000	8,185,000
Discount rate - 0.1%	5,583,000	8,553,000
Mortality assumption + 1 year	5,221,000	8,051,000
Mortality assumption - 1 year	5,657,000	8,695,000
CPI rate + 0.1%	5,563,000	8,511,000
CPI rate - 0.1%	5,315,000	8,227,000

#### The academy trust's share of the assets in the scheme

	2022 Fair value £	2021 Fair value £
Equities	3,737,960	3,837,141
Cash	769,580	402,633
Property	989,460	354,123
Other assets	-	257,103
Derecognise asset	(58,000)	-
Total market value of assets	5,439,000	4,851,000

The actual return on scheme assets was £308,000 (2021: £830,000).

#### Amount recognised in the statement of financial activities

	2022 £	2021 £
Current service cost	804,000	611,000
Interest income	65,000	(66,000)
Interest cost	-	115,000
Total operating charge	869,000	660,000

# STEEL RIVER ACADEMY TRUST

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

### 19 Pension and similar obligations

(Continued)

Changes in the present value of defined benefit obligations	2022 £	2021 £
At 1 September 2021	8,369,000	6,723,000
Current service cost	804,000	611,000
Interest cost	150,000	115,000
Employee contributions	84,000	74,000
Actuarial (gain)/loss	(3,968,000)	891,000
Benefits paid	-	(45,000)
At 31 August 2022	5,439,000	8,369,000

### Changes in the fair value of the academy trust's share of scheme assets

	2022 £	2021 £
At 1 September 2021	4,851,000	3,767,000
Interest income	85,000	66,000
Actuarial gain	223,000	764,000
Employer contributions	254,000	225,000
Employee contributions	84,000	74,000
Benefits paid	-	(45,000)
Derecognise asset	(58,000)	-
At 31 August 2022	5,439,000	4,851,000

The actuarial valuation report as at 31 August 2022 produced an estimated asset as a result of changes in discount rates used in the valuation. As the asset is unlikely to be realised we have not recognised it in the financial statements, we have reduced the value of scheme assets and included an adjustment in the SOFA to reflect the adjustment.

# STEEL RIVER ACADEMY TRUST

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

20 Reconciliation of net (expenditure)/income to net cash flow from operating activities	Notes	2022 £	2021 £
Net (expenditure)/income for the reporting period (as per the statement of financial activities)		(632,155)	219,887
Adjusted for:			
Capital grants from DfE and other capital income		(164,591)	(112,964)
Investment income receivable	6	(270)	(143)
Defined benefit pension costs less contributions payable	19	550,000	386,000
Defined benefit pension scheme finance cost	19	65,000	49,000
Depreciation of tangible fixed assets		311,871	247,838
(Increase) in debtors		(4,007)	(40,277)
Increase in creditors		339,662	106,813
<b>Net cash provided by operating activities</b>		<b>465,510</b>	<b>856,154</b>
21 Analysis of changes in net funds	1 September 2021 £	Cash flows £	31 August 2022 £
Cash	1,818,440	456,122	2,274,562
22 Long-term commitments			
<b>Operating leases</b>		<b>2022 £</b>	<b>2021 £</b>
At 31 August 2022 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:			
Amounts due within one year		8,872	15,362
Amounts due in two and five years		18,815	6,293
		<u>27,687</u>	<u>21,655</u>
23 Capital commitments		<b>2022 £</b>	<b>2021 £</b>
Expenditure contracted for but not provided in the accounts		-	5,690

# STEEL RIVER ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2022**

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### **24 Related party transactions**

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. The following related party transactions took place in the financial period.

Mrs P Petrie, wife of Mr M Petrie (Member of the Trust Board), is employed by the trust as Headteacher at Bankfields Primary school. Mrs Petrie's appointment pre-dated Mr Petrie becoming a Member of the Trust Board. Mrs Petrie was appointed in open competition through a competitive interview process by a recruitment panel. Mrs Petrie is paid in line with the standard national pay scale and has received no special treatment as a result of her relationship to a member.

Mrs Robinson, daughter of Mr J Blakely (Member of the Trust Board to 10 October 2021), is employed by the trust as a teacher at Grangetown Primary school. Mrs Robinson's appointment pre-dated Mr Blakely becoming a Member of the Trust Board. Mrs Robinson was appointed in open competition through a competitive interview process by a recruitment panel. Mrs Robinson is paid in line with the standard national pay scale and has received no special treatment as a result of her relationship to a member.

### **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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.