

Company Registration Number: 12109048 (England & Wales)

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 13
Governance statement	14 - 19
Statement of regularity, propriety and compliance	20
Statement of trustees' responsibilities	21
Independent auditors' report on the financial statements	22 - 25
Independent reporting accountant's report on regularity	26 - 27
Statement of financial activities incorporating income and expenditure account	28 - 29
Balance sheet	30
Statement of cash flows	31
Notes to the financial statements	32 - 60

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members

Sally Hirst (resigned 14 June 2023)
Alyson Ascough
Martyn Petrie
Ed Jones

Trustees

A H Duncan (resigned 27 February 2023)
P Jackson
S J Powell, Chair
A Ryalls
J M Sinclair
K McDonald
L Misaljevich
M A Williamson
M Mellor (resigned 31 August 2023)

Company registered number

12109048

Company name

Steel River Academy Trust

Registered office

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

Academies operated	Location	Head Teacher
Bankfields Primary School	Redcar and Cleveland	Emma Gatenby
Whale Hill Primary School	Redcar and Cleveland	Sandra Marsden
Grangetown Primary School	Redcar and Cleveland	Charlotte Mott
Caedmon Primary School	Redcar and Cleveland	Sarah Hill

Company secretary

K Stevenson

Senior management team

Co CEO/CAO/Director of Finance, Operations and Estates	Jason Murgatroyd
Co CEO/Director of Education, Standards and Trust Improvement	Patricia Petrie
Safeguarding Lead/Whale Hill Headteacher	Sandra Marsden
Caedmon Headteacher	Sarah Hill
Bankfields Headteacher	Emma Gatenby
Grangetown Headteacher	Charlotte Mott
CFO	Kathryn Stevenson

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

Independent auditors

Waltons Business Advisers Limited, Maritime House, Harbour Walk, The Marina, Hartlepool, TS24 0UX

Bankers

Lloyds Bank plc, 83 Linthorpe Road, Middlesbrough, TS1 5BU

Solicitors

Muckle LLP, Time Central, 32 Gallowgate, Newcastle Upon Tyne, Tyne and Wear, NE1 4BF

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a Trustees' report and a directors' report and strategic report under company law.

The academy trust operates 4 primary academies in the North East. Its academies have a combined pupil capacity of 1554 and had a roll of 1323 in the school census on October 2023.

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 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 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.

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

Structure, governance and management (continued)

• **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 three 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.

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 is 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's trust 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.

• **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.

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

Structure, governance and management (continued)

• **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 that 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.

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 Academy Trust 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.

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

Objectives and activities (continued)

• Objectives, strategies and activities

1. Finance.
 - Revisit unsuccessful CIF bids. RAG rate required maintenance and repairs to ensure work is prioritised across the Trust.
 - Source additional funding and grant schemes available to the Education sector along with established bid writers to access additional funding across the Trust.
 - Complete the tendering process for catering and cleaning services to secure best value across the Trust.
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
 - Continually review the Trust central team in line with growth.
 - Develop Trust Growth and Marketing Strategy to plan for future growth.
 - Develop the role of the Trust CFO to ensure the requirements of the Trust are fulfilled
 - Identify and develop subject/aspect specialists within the School Improvement Team to support with specific areas for improvement and increase capacity for future growth.
4. Curriculum/Outcomes
 - Continue to review and adapt curriculum to account for lost learning due to COVID and to increase attainment levels.
 - Create a highly effective Trust curriculum to support schools in delivering high quality lessons in all curriculum areas and to offer support in areas that need further development
 - To create clear non-negotiables for curriculum design, implementation and evaluation to establish a Trust identity, shared principles and alignment of our vision and values
 - Create a Trust wide assessment system for wider curriculum subjects to ensure a consistent approach across the Trust and clear expectations for outcomes.
 - Develop Early years provision through the introduction of the Trust 'Ready to Read' programme which will support children and families in ensuring our youngest children are ready for school

• Public benefit

The academy trust makes significant contribution by its teaching and other activities to the advancement of education for the ongoing 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.

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

Strategic report

Achievements and performance

Achievements and performance - Attendance Data 2022 - 23

Whale Hill	94.7%
Caedmon	93%
Bankfields	93.2%
Grangetown	94.3%

There are 4 schools in the Steel River Academy Trust. Ofsted judgements show that all schools are graded as good.

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	60%	71%	61%	57%	67%
Bankfields	66%	83%	71%	65%	74%
Caedman	47%	60%	60%	56%	60%
Grangetown	58%	67%	63%	63%	63%
Whalehill	65%	72%	54%	49%	69%

School/Trust	KS2 -EXS				KS2 -GDS			
	GPS	Rd	Wr	Mts	GPS	Rd	Wr	Mts
SRAT	83%	84%	77%	86%	34%	28%	12%	30%
Bankfields	89%	89%	82%	92%	47%	37%	11%	18%
Caedman	83%	85%	67%	77%	44%	30%	10%	25%
Grangetown	70%	72%	74%	81%	19%	19%	7%	7%
Whalehill	86%	86%	83%	92%	30%	21%	17%	52%

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

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

Strategic report (continued)

Achievements and performance (continued)

• 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 updates
Area 4	Safeguarding	Updated termly
Area 5	Financial	Updated termly
Area 6	Governance	Updated annually

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

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

Strategic report (continued)

Achievements and performance (continued)

KPI 5	School improvement increasingly led by system leaders	SIT Reviews SLT monitoring
5.1	An external review, alongside a peer review, has been undertaken within the last 12 months within the Academy	FH Reports
5.2	Subject Leaders have had appropriate professional development opportunities through CPD or Trust collaboration	CPD Records Network meetings Monitoring Records
5.3	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
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
Welfare, behaviour and Safeguarding		
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, residential, 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
Finance		
KPI 15	All staff have maintained a minimum reserves balance of 7% of GAG	Trust Financial Records

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

Strategic report (continued)

Achievements and performance (continued)

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
KPI 22	To have positive internal and external audit reports across the year. The trust to a going concern	Audit reports
Governance		
KPI 23	A range of skills are covered by members of the Trust board	Completed skills audit
KPI 24	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 25	Consistent and Robust Finance performance is maintained in all schools	Financial reports Audit reports Budget plans
KPI 26	An internal audit is completed by all LGBs and SRAT TB to evaluate overall performance	Internal audits and action plans

● **Going concern**

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

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. The trustees and school leadership team have reviewed revenue and capital expenditure across the schools. We have procured major service across the year including catering and cleaning contracts.

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

Strategic report (continued)

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 2023 the trust had a total income of £9,414k over the four schools. Total resources expended were £9,850k leading to net expenditure being £(436k).

At the 31 August 2023 the net book Value of the fixed assets was £6,415k. 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 reserves policy in place and the trustees will review the reserve levels of each academy regularly. The reserves policy outlines that each academy needs to keep a prudent level of unrestricted reserves designed to meet any emergencies and ensure payments can be made, this falls with the ESFA guidelines and is set at 7% of total income. We have also set a maximum reserves at 15% of total income. If academies are above this threshold they have a plan of how monies will be spent to benefit the children and estate.

Our plan for central trust reserves was to have 4% of SRATs GAG funding in reserve, taking 4 yrs. to build up the reserves. As a trust we have decided not to take the 4th years money from the schools due to us having sufficient fund for trust development. The plan is to continue to use this money to build the central team support networks and support academies estates.

Each school has provided 1% of their GAG funding over the past 3 years this has built the reserves to levels noted below -

This will be treated as follows:

- Year One - 2020 – 2021: £60,535 end of year reserve.
- Year Two - 2021 – 2022: Planned approx. £121,070 (2%) end of year reserve.
- Year Three - 2022 – 2023: Planned approx. £190,206 (3%) 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 as well as using the money to build a strong central support network. Trustees will monitor the level of reserves of the trust throughout the year.

Total funds reserves including fixed assets stands at £8,384,153, with restricted standing at £902,724 and unrestricted standing at £1,066,599.

• **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
(A company limited by guarantee)

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

● **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 SRAT 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 divided into five sections:

- Strategic and Reputational Risks
- Financial Risks
- Estates and 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.

Trustees have appointed an Internal Auditor who provide a supplementary programme of work in support of the External Audit Team. The internal auditors provide assurance to the board of trustees in respect of the Trusts' compliance with its financial systems and operational controls. This ensures that risks are quickly identified and managed.

Trustees understand their responsibilities to ensure the trusts estate is safe, that it is compliant and well maintained. The trust has appointed an external Health and Safety Team who carry out annual inspections across all of the trust sites, they work with the individual Academies Health and Safety Lead who disseminates information and CPD across all staff with their Academy. All Health and Safety reviews are reported to the Trust Board who ensure that any remedial work is completed in the set time frame. Alongside this each Academy has a full compliance checklist which includes all statutory checks that should be carried plus individual checks relevant to each academy.

The Trust has also completed a full conditions surveys of all of its sites including a RAAC survey. The conditions survey is used to complete a prioritised estates plan of works based upon identified need.

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.

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

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 work on the estates by finalising the conditions survey to create a trust wide asset management plan. To introduce a central IT system to ensure that compliance is being followed by all schools consistently. We will be revisiting unsuccessful CIF bids and looking for other avenues of funding to support growth.

To create and facilitate a coaching and CPD model to trust leaders and ensure that the school Inset and CPD programme is planned to support the needs of the staff and schools in meeting the increasing complex needs of vulnerable children.

To support schools in implementing an oracy rich curriculum to develop knowledge acquisition and understanding. To embed an enquiry-based learning approach across the trust to develop higher order thinking. To support schools by creating a highly effective trust curriculum and assessment programme.

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 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 is currently submitting CIF bids on behalf of all four schools within the Trust. The projects include roofing, heating and fire safety.

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 20 - 12 - 23 and signed on its behalf by:



S J Powell
(Chair of Trustees)

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT

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.

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

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 3 times during the year.

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

Trustee	Meetings attended	Out of a possible
A H Duncan	1	1
P Jackson	3	3
S J Powell, Chair	3	3
A Ryalls	2	3
J M Sinclair	2	3
K McDonald	3	3
L Misaljevich	3	3
M A Williamson	3	3
M Mellor	2	3

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.

Skills audit including Self Evaluations were completed by Trustees and LGB members. The results were collated and an action plan has been produced and shared with Trustees and LGB members. Bespoke training has been organised, timetabled and delivered to Trustees and LGB members by the Trust and has included sessions on effective support and challenge along with in depth data training. External audits are being procured and will run in the upcoming academic year.

A Trust conference is planned for February 2024 which is to be attended by LGB and Trust board members with a strong focus on developing and growing strong Trusts.

Alongside this Trustees and LGB members have access to a comprehensive training package run by Redcar and Cleveland Governor Support Service as well as access to the NGA training package and Governor Hub.

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 4 times and the Performance and Standards Committee which has also met 3 times, trustees have had the opportunity to meet on 10 occasions across the year. This has allowed us to maintain effective oversight of funds

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 including the catering, cleaning and auditing contracts.
- The setting of the trust central team and leadership structure

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

GOVERNANCE (CONTINUED)

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

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 Trust, 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
- Procurement

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
K McDonald	3	3
S J Powell	3	3
J M Sinclair	3	3

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

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

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

GOVERNANCE (CONTINUED)

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
A H Duncan	2	2
P Jackson	3	3
M Mellor	2	3
A Ryalls	3	3
M A Williamson	3	3

REVIEW OF VALUE FOR MONEY

As accounting officer, the Co CEO has responsibility for ensuring that the Trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

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

- Each school has reviewed contracts and SLAs 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 Cleaning
 - o Catering
 - o Auditors
- Each school has continued to develop a premises development plan prioritising work and allowing time to get value for money. Schools have replaced flooring, lights, IT equipment, toilets and decorated.
- 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 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 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks that has been in place for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

The 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

The Board of Trustees has decided to employ JGT Auditors as internal auditor.

The board of trustees have employed Internal Auditors to carry out specific functions. We used the Academies 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.

This option was chosen to give an additional level of assurance.

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 2022 one in the Spring Term 2023 and one in the Summer Term of 2023. 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 annually 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.

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

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 financial management and governance self-assessment process or the school resource management self-assessment tool;
- the work of the internal auditor who has been vetted and approved by the members and trustees;
- the work of the executive managers within the 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 members of the Board of Trustees on
on their behalf by:



S J Powell
Chair of Trustees

20.12.23

and signed



Mr J Murgatroyd
Accounting Officer

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

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, including for estates safety and management, under the funding agreement between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

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

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



Mr J Murgatroyd
Accounting Officer

Date: 20.12.23

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

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

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

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

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

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

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

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

20-12-23


S J Powell
(Chair of Trustees)

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF STEEL RIVER ACADEMY TRUST

UNQUALIFIED OPINION

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

In our opinion the financial statements:

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

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

OTHER INFORMATION

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

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

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

RESPONSIBILITIES OF TRUSTEES

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

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

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- Obtained an understanding of the nature of the sector, including the legal and regulatory framework that the Trust operates in and how they are complying with the legal and regulatory framework
- Inquired of management and those charged with governance about their own identification and assessment of the risks of irregularities including any known, actual, suspected or alleged instances of fraud,
- Discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements might be susceptible to fraud.

As a result of these procedures we considered the most significant laws and regulations which have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), ESFA accounting requirements (including the requirements of the Academy Trust Handbook and the Academies Accounts Direction), Companies Act 2006 and the Academies's governing document. We performed audit procedures to detect non-compliance which may have a material impact on the financial statements which included reviewing the financial statements including the director's report and remaining alert to new or unusual transactions which may not be in accordance with the governing documents.

The audit engagement team identified the risk of management override of controls and income recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

Audit procedures performed included, but were not limited to:

- testing manual journal entries and other adjustments
- evaluating the business rationale in relation to significant or unusual transactions and transactions entered into outside the normal course of business
- challenging judgments and estimates
- reviewing income transactions around the year end to look for potential "window dressing".

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

USE OF OUR REPORT

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



Heather O'Driscoll FCA (Senior statutory auditor)

for and on behalf of

Waltons Business Advisers Limited

Chartered Accountants

Statutory Auditors

Maritime House

Harbour Walk

The Marina

Hartlepool

TS24 0UX

Date: 20 December 2023

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

In accordance with the terms of our engagement letter dated 22 June 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Steel River Academy Trust during the year 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to 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 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 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

APPROACH

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

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

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

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

The work undertaken to draw to our conclusion includes a review of the design and implementation of the Trust's internal controls and review processes on regularity, supported by detailed tests on samples of costs incurred by the Trust and specific transactions identified from our review.

This work included:

- Review minutes of meetings of directors
- Review Internal Assurance reports
- Review payroll for evidence of authorisation and review any extra contractual payments
- Review a sample of purchases and expense claims
- Review lines of delegation and limits set
- Review register of interests
- Review related party transactions
- Review other income to ensure in line with funding agreement
- Review risk register and business continuity plans

CONCLUSION

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



Reporting Accountant
Waltons Business Advisers Limited
Chartered Accountants
Statutory Auditors

Date: 20 December 2023

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
INCOME FROM:						
Donations and capital grants	4	34,290	-	114,106	148,396	190,533
Other trading activities	7	139,281	-	-	139,281	142,865
Investments	8	2,142	-	-	2,142	270
Charitable activities	5	40,184	9,083,841	-	9,124,025	8,617,546
TOTAL INCOME		215,897	9,083,841	114,106	9,413,844	9,151,214
EXPENDITURE ON:						
Raising funds		26,137	-	-	26,137	56,392
Charitable activities		83,859	9,368,167	372,079	9,824,105	9,726,977
TOTAL EXPENDITURE		109,996	9,368,167	372,079	9,850,242	9,783,369
NET INCOME/(EXPENDITURE)		105,901	(284,326)	(257,973)	(436,398)	(632,155)
Transfers between funds	19	-	(34,562)	34,562	-	-
NET MOVEMENT IN FUNDS BEFORE OTHER RECOGNISED GAINS/(LOSSES)		105,901	(318,888)	(223,411)	(436,398)	(632,155)
OTHER RECOGNISED GAINS/(LOSSES):						
Actuarial gains on defined benefit pension schemes	25	-	1,008,000	-	1,008,000	4,191,000
Pension surplus not recognised	25	-	(773,000)	-	(773,000)	(58,000)
NET MOVEMENT IN FUNDS		105,901	(83,888)	(223,411)	(201,398)	3,500,845

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
RECONCILIATION OF FUNDS:					
Total funds brought forward	960,698	986,612	6,638,243	8,585,553	5,084,708
Net movement in funds	105,901	(83,888)	(223,411)	(201,398)	3,500,845
TOTAL FUNDS CARRIED FORWARD	<u>1,066,599</u>	<u>902,724</u>	<u>6,414,832</u>	<u>8,384,155</u>	<u>8,585,553</u>

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

The notes on pages 32 to 60 form part of these financial statements.

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 12109048

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
FIXED ASSETS			
Tangible assets	16	6,414,832	6,638,243
		<u>6,414,832</u>	<u>6,638,243</u>
CURRENT ASSETS			
Debtors	17	376,275	409,855
Cash at bank and in hand		2,117,339	2,274,562
		<u>2,493,614</u>	<u>2,684,417</u>
Creditors: amounts falling due within one year	18	(524,291)	(737,107)
NET CURRENT ASSETS		<u>1,969,323</u>	<u>1,947,310</u>
TOTAL NET ASSETS		<u><u>8,384,155</u></u>	<u><u>8,585,553</u></u>
FUNDS OF THE TRUST			
RESTRICTED FUNDS:			
Fixed asset funds	19	6,414,832	6,638,243
Restricted income funds	19	902,724	986,612
TOTAL RESTRICTED FUNDS	19	<u>7,317,556</u>	<u>7,624,855</u>
UNRESTRICTED INCOME FUNDS	19	<u>1,066,599</u>	<u>960,698</u>
TOTAL FUNDS		<u><u>8,384,155</u></u>	<u><u>8,585,553</u></u>

The financial statements on pages 28 to 60 were approved by the Trustees, and authorised for issue on and are signed on their behalf, by:

20.12.23



S J Powell
(Chair of Trustees)

The notes on pages 32 to 60 form part of these financial statements.

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	2022 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash (used in)/provided by operating activities	21	(141,753)	465,510
CASH FLOWS FROM INVESTING ACTIVITIES	22	(15,470)	(9,388)
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		(157,223)	456,122
Cash and cash equivalents at the beginning of the year		2,274,562	1,818,440
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	23, 24	<u>2,117,339</u>	<u>2,274,562</u>

The notes on pages 32 to 60 form part of these financial statements

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

1. GENERAL INFORMATION

Steel River Academy Trust is a charitable company limited by guarantee and registered in England and Wales. In the event of the academy being wound up the liability in respect of the guarantee is limited to £10 per member.

The registered office address is:

Grangetown Primary School
St. Georges Road
Middlesborough
TS6 7JA

2. ACCOUNTING POLICIES

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

2.1 Basis of preparation of financial statements

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

Steel River Academy Trust meets the definition of a public benefit entity under FRS 102.

2.2 Going concern

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

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

2. ACCOUNTING POLICIES (CONTINUED)

2.3 Income

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

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

2.4 Expenditure

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

• **Expenditure on raising funds**

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

• **Charitable activities**

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

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

2. ACCOUNTING POLICIES (CONTINUED)

2.4 Expenditure (continued)

All resources expended are inclusive of irrecoverable VAT.

2.5 Taxation

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

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

2.6 Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on the following bases:

Land and buildings	- 50 years straight line
Fixtures, fittings and equipment	- 5 years straight line
Computer equipment	- 3 years straight line

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

2.7 Liabilities

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

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

2. ACCOUNTING POLICIES (CONTINUED)

2.8 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 17. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

2.9 Operating leases

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

2.10 Pensions

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

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

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

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

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

2. ACCOUNTING POLICIES (CONTINUED)

2.11 Fund accounting

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

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

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

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

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

Critical accounting estimates and assumptions:

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

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 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

As explained in note 26, the actuarial valuation report as at 31 August 2023 produced an estimated asset. In the opinion of the Trustees this asset is unlikely to be realised and therefore the Trust has not recognised this in the financial statements. This has reduced the value of scheme assets and an adjustment has been included in the SOFA to reflect this.

Had the asset been recognised this would result in an increase in restricted funds of £831,000.

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

4. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Donations	34,290	14,701	48,991	25,942
Capital Grants	-	99,405	99,405	164,591
	<u>34,290</u>	<u>114,106</u>	<u>148,396</u>	<u>190,533</u>
<i>Total 2022</i>	<u>25,942</u>	<u>164,591</u>	<u>190,533</u>	

5. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Educational Operations	40,184	9,083,841	9,124,025	8,817,546
	<u>40,184</u>	<u>9,083,841</u>	<u>9,124,025</u>	<u>8,817,546</u>
<i>Total 2022</i>	<u>43,376</u>	<u>8,774,170</u>	<u>8,817,546</u>	

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

6. FUNDING FOR THE TRUST'S CHARITABLE ACTIVITIES

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	<i>As restated</i> Total funds 2022 £
Educational Operations				
DfE/ESFA grants				
General Annual Grant	-	6,479,277	6,479,277	6,459,745
Other DfE/ESFA grants				
Universal infant free school meals	-	99,137	99,137	91,608
Pupil Premium	-	1,064,311	1,064,311	1,023,643
Teacher's Pay grant	-	20,672	20,672	36,067
Rates Relief	-	21,918	21,918	21,606
PE and sports grant	-	74,500	74,500	75,200
Other DfE grants	-	211,455	211,455	115,019
Supplementary grant	-	217,163	217,163	83,199
	-	8,188,433	8,188,433	7,906,087
Other Government grants				
Local authority grants	-	461,104	461,104	576,032
SEN Local authority grants	-	303,593	303,593	183,271
Other government grants	-	22,845	22,845	-
	-	787,542	787,542	759,303
Other income from the Trust's educational operations	40,184	-	40,184	43,376
COVID-19 additional funding (DfE/ESFA)				
Other DfE/ESFA Covid 19 funding	-	107,866	107,866	108,780
	-	107,866	107,866	108,780
	40,184	9,083,841	9,124,025	8,817,546
Total 2022 as restated	43,376	8,774,170	8,817,546	

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

7. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2023 £	Total funds 2023 £	<i>As restated</i> Total funds 2022 £
Hire of facilities	24,186	24,186	24,076
Catering	1,139	1,139	526
Parental contributions	55,135	55,135	43,998
Supply teacher insurance	5,600	5,600	18,239
Other trading income	53,221	53,221	56,026
	<u>139,281</u>	<u>139,281</u>	<u>142,865</u>
<i>Total 2022 as restated</i>	<u>142,865</u>	<u>142,865</u>	

The comparative figures show as restated with £18,240 of supply teacher insurance having been transferred from income from charitable activities to income from trading activities. This has no impact on total expenditure or reserves carried forward.

8. INVESTMENT INCOME

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Short term deposits	2,142	2,142	270
	<u>270</u>	<u>270</u>	
<i>Total 2022</i>	<u>270</u>	<u>270</u>	

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

9. EXPENDITURE

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £	Total 2022 £
Expenditure on raising funds:					
Direct costs	-	-	26,137	26,137	56,392
Educational operations:					
Direct costs	5,050,204	-	418,649	5,468,853	5,294,978
Allocated support costs	2,482,680	517,956	1,354,616	4,355,252	4,431,999
	<u>7,532,884</u>	<u>517,956</u>	<u>1,799,402</u>	<u>9,850,242</u>	<u>9,783,369</u>
<i>Total 2022</i>	<u>7,437,517</u>	<u>1,130,738</u>	<u>1,215,114</u>	<u>9,783,369</u>	

10. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Educational Operations	<u>5,468,853</u>	<u>4,355,252</u>	<u>9,824,105</u>	<u>9,726,977</u>
<i>Total 2022</i>	<u>5,294,978</u>	<u>4,431,999</u>	<u>9,726,977</u>	

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

10. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF DIRECT COSTS

	Educational Operations 2023 £	Total funds 2023 £	Total funds 2022 £
Staff costs	5,050,204	5,050,204	4,865,348
Technology Costs	56,807	56,807	46,733
Educational supplies	194,178	194,178	185,421
Other staff costs	60,452	60,452	57,563
Staff related insurance	-	-	35,616
Educational consultancy	107,212	107,212	104,297
	<u>5,468,853</u>	<u>5,468,853</u>	<u>5,294,978</u>
<i>Total 2022</i>	<u>5,294,978</u>	<u>5,294,978</u>	

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

10. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Educational Operations 2023 £	Total funds 2023 £	Total funds 2022 £
Staff costs	2,482,680	2,482,680	2,572,169
Depreciation	340,429	340,429	311,871
Maintenance of premises	134,658	134,658	323,651
Cleaning and caretaking	166,262	166,262	120,643
Rates	22,485	22,485	21,606
Energy	223,097	223,097	153,281
Catering	388,250	388,250	357,777
Technology Costs	78,697	78,697	81,482
Other premises costs	137,716	137,716	83,393
Governance costs	20,121	20,121	25,688
Other support costs	79,099	79,099	79,996
Other staff costs	31,183	31,183	17,536
Security	23,680	23,680	24,432
Transport	123,207	123,207	80,000
Non Educational Consultancy	100,688	100,688	113,474
Pension interest	3,000	3,000	65,000
	<u>4,355,252</u>	<u>4,355,252</u>	<u>4,431,999</u>
<i>Total 2022</i>	<u>4,431,999</u>	<u>4,431,999</u>	

In line with the clarification provided in the 2023 accounts direction teaching assistants are now classified as support costs. This has resulted in a total of £1,433,190 being moved from direct to support costs in the 2022 figures.

A further £245,622 was then moved from support into direct expenditure in line with the classifications in the accounts return.

This has no impact on total expenditure or reserves carried forward.

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

11. NET INCOME/(EXPENDITURE)

Net income/(expenditure) for the year includes:

	2023	2022
	£	£
Operating lease rentals	13,590	31,172
Depreciation of tangible fixed assets	340,429	311,871
Net interest on defined benefit pension liability	3,000	65,000
Fees paid to auditors for:		
- audit	12,250	11,750
- other services	2,750	4,750
	12,250	11,750

12. STAFF

a. STAFF COSTS

Staff costs during the year were as follows:

	2023	2022
	£	£
Wages and salaries	5,451,136	5,233,394
Social security costs	520,156	490,097
Pension costs	1,344,963	1,610,974
	7,316,255	7,334,465
Agency staff costs	205,559	101,030
Staff restructuring costs	11,070	2,022
	7,532,884	7,437,517

Staff restructuring costs comprise:

	2023	2022
	£	£
Redundancy payments	11,070	2,022
	11,070	2,022

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

12. STAFF (CONTINUED)

b. SEVERANCE PAYMENTS

The Trust paid 3 severance payments in the year, disclosed in the following bands:

	2023
	No.
£0 - £25,000	<u>3</u>

c. STAFF NUMBERS

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

	2023	2022
	No.	No.
Teachers	82	80
Administration and support	122	127
Management	17	16
	<u>221</u>	<u>223</u>

d. HIGHER PAID STAFF

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

	2023	2022
	No.	No.
In the band £60,001 - £70,000	2	2
In the band £70,001 - £80,000	1	3
In the band £80,001 - £90,000	3	-
	<u>3</u>	<u>-</u>

e. KEY MANAGEMENT PERSONNEL

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Trust was £464,729 (2022 - £429,235).

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

13. CENTRAL SERVICES

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

- human resources
- financial services
- legal services
- educational support services
- others as arising

The Trust charges for these services on the following basis:

At 5.6% (2022: 4.5%) of GAG income.

The actual amounts charged during the year were as follows:

	2023 £	2022 £
Caedmon Primary School	82,579	78,746
Bankfields Primary School	69,108	60,151
Whale Hill Primary School	116,488	104,631
Grangetown Primary School	92,053	77,152
Total	360,228	320,680

14. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2022 - *£NIL*).

During the year, retirement benefits were accruing to 1 Trustees (2022 - *none*) in respect of defined benefit pension schemes.

During the year ended 31 August 2023, no Trustee expenses have been incurred (2022 - *£NIL*).

15. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice, the Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £28 million on any one claim and the cost for the year ended 31 August 2023 was £267.50 (2022 - £288). The cost of this insurance is included in the total insurance cost.

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

16. TANGIBLE FIXED ASSETS

	Freehold property £	Furniture and equipment £	Computer equipment £	Total £
Cost				
At 1 September 2022	6,678,611	367,627	368,494	7,414,732
Additions	12,282	64,402	40,333	117,017
At 31 August 2023	<u>6,690,893</u>	<u>432,029</u>	<u>408,827</u>	<u>7,531,749</u>
Depreciation				
At 1 September 2022	382,595	174,561	219,333	776,489
Charge for the year	131,610	81,087	127,731	340,428
At 31 August 2023	<u>514,205</u>	<u>255,648</u>	<u>347,064</u>	<u>1,116,917</u>
Net book value				
At 31 August 2023	<u>6,176,688</u>	<u>176,381</u>	<u>61,763</u>	<u>6,414,832</u>
At 31 August 2022	<u>6,296,016</u>	<u>193,066</u>	<u>149,161</u>	<u>6,638,243</u>

17. DEBTORS

	2023 £	2022 £
Due within one year		
Trade debtors	521	17,898
VAT repayable	47,156	86,959
Prepayments and accrued income	328,598	304,998
	<u>376,275</u>	<u>409,855</u>

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade creditors	598	172,494
Other taxation and social security	156,127	116,929
Other creditors	93,139	120,648
Accruals and deferred income	274,427	327,030
	<u>524,291</u>	<u>737,107</u>
	2023 £	2022 £
Deferred income at 1 September 2022	66,964	68,068
Resources deferred during the year	75,496	66,964
Amounts released from previous periods	(66,964)	(68,068)
	<u>75,496</u>	<u>66,964</u>

Deferred income consists of rates relief and universal infant free school means for the 2023-2024 academic year received in advance.

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

19. STATEMENT OF FUNDS

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
General Funds	960,698	215,897	(109,996)	-	-	1,066,599
Restricted general funds						
General annual grant	986,612	6,479,277	(6,528,603)	(34,562)	-	902,724
UIFSM	-	99,137	(99,137)	-	-	-
Pupil premium	-	1,064,311	(1,064,311)	-	-	-
Teachers pay	-	20,672	(20,672)	-	-	-
Rates relief	-	21,918	(21,918)	-	-	-
PE & Sport grant	-	74,500	(74,500)	-	-	-
Other DFE grants	-	536,484	(536,484)	-	-	-
Non DFE grants	-	22,845	(22,845)	-	-	-
Higher educational needs	-	303,593	(303,593)	-	-	-
Other local authority grants	-	461,104	(461,104)	-	-	-
Pension reserve	-	-	(235,000)	-	235,000	-
	<u>986,612</u>	<u>9,083,841</u>	<u>(9,368,167)</u>	<u>(34,562)</u>	<u>235,000</u>	<u>902,724</u>

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

19. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Restricted fixed asset funds						
Inherited on conversion	5,987,770	-	(198,542)	-	-	5,789,228
DFE group capital grants	77,954	99,405	(50,024)	-	-	127,335
Capital expenditure from GAG	517,435	-	(94,187)	34,562	-	457,810
Private sector sponsorship	55,084	14,701	(29,326)	-	-	40,459
	<u>6,638,243</u>	<u>114,106</u>	<u>(372,079)</u>	<u>34,562</u>	<u>-</u>	<u>6,414,832</u>
Total Restricted funds	<u>7,624,855</u>	<u>9,197,947</u>	<u>(9,740,246)</u>	<u>-</u>	<u>235,000</u>	<u>7,317,556</u>
Total funds	<u>8,585,553</u>	<u>9,413,844</u>	<u>(9,850,242)</u>	<u>-</u>	<u>235,000</u>	<u>8,384,155</u>

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

General annual grant - this is the money provided to the academies for normal school running costs.

The funding for universal free school meals was spent on providing these meals.

The pupil premium is paid based upon the number of pupils with service parents or who are entitled to free school meals. This funding has paid for support assistants within classrooms and additional resources.

The teacher pay and teacher pension awards have been spent on teaching wages.

The rates reclaim is used to pay rates.

The PE and Sport grant has been used on trips and activities and the salaries of support assistants involved in those activities.

The funding for higher educational needs has been used to pay for classroom assistants.

The early years funding has funded staff in these year groups.

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

19. STATEMENT OF FUNDS (CONTINUED)

The capital transferred on conversion represents the land and buildings and other assets transferred to the school at nil consideration from Redcar & Cleveland Borough Council upon conversion to an Academy. This fund is being depreciated in line with the assets represented.

Other capital grants are government funds received for the purchase of capital equipment and expenditure on repair projects. The amount carried forward represents assets purchased in the period at their net book value and funding yet to be spent.

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

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

19. STATEMENT OF FUNDS (CONTINUED)

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

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2022 £</i>
Unrestricted funds						
General funds	913,013	212,453	(164,768)	-	-	960,698
Restricted general funds						
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>(9,658)</u>	<u>4,133,000</u>	<u>986,612</u>

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

19. STATEMENT OF FUNDS (CONTINUED)

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2022 £</i>
Restricted fixed asset funds						
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>-</u>	<u>6,638,243</u>
Total Restricted funds	<u>4,171,695</u>	<u>8,938,761</u>	<u>(9,618,601)</u>	<u>-</u>	<u>4,133,000</u>	<u>7,624,855</u>
Total funds	<u>5,084,708</u>	<u>9,151,214</u>	<u>(9,783,369)</u>	<u>-</u>	<u>4,133,000</u>	<u>8,585,553</u>

Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	2023 £	2022 £
Caedmon Primary School	593,105	617,088
Bankfields Primary School	211,353	197,509
Whale Hill Primary School	439,045	430,940
Grangetown Primary School	522,851	568,516
Central services	202,969	133,257
	<u>1,969,323</u>	<u>1,947,310</u>
Total before fixed asset funds and pension reserve	<u>1,969,323</u>	<u>1,947,310</u>
Restricted fixed asset fund	<u>6,414,832</u>	<u>6,638,243</u>
Total	<u><u>8,384,155</u></u>	<u><u>8,585,553</u></u>

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

19. STATEMENT OF FUNDS (CONTINUED)

TOTAL COST ANALYSIS BY ACADEMY

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2023 £	Total 2022 £
Caedmon Primary School	1,169,478	430,367	58,290	430,230	2,088,365	2,088,980
Bankfields Primary School	933,677	359,686	17,355	356,982	1,667,700	1,546,450
Whale Hill Primary School	1,691,753	735,089	49,203	534,610	3,010,655	2,928,500
Grangetown Primary School	1,132,292	626,008	69,330	387,987	2,215,617	1,988,662
Central services	123,004	331,530	-	72,942	527,476	920,906
Trust	5,050,204	2,482,680	194,178	1,782,751	9,509,813	9,471,498

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	6,414,832	6,414,832
Current assets	1,131,368	1,362,246	-	2,493,614
Creditors due within one year	(64,769)	(459,522)	-	(524,291)
Total	1,066,599	902,724	6,414,832	8,384,155

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Restricted fixed asset funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	-	-	6,638,243	6,638,243
Current assets	960,698	1,723,719	-	2,684,417
Creditors due within one year	-	(737,107)	-	(737,107)
Total	<u>960,698</u>	<u>986,612</u>	<u>6,638,243</u>	<u>8,585,553</u>

21. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net expenditure for the year (as per Statement of financial activities)	<u>(436,398)</u>	<u>(632,155)</u>
Adjustments for:		
Depreciation	340,428	311,871
Capital grants from DfE and other capital income	(99,405)	(164,591)
Interest receivable	(2,142)	(270)
Defined benefit pension scheme obligation inherited	-	550,000
Defined benefit pension scheme cost less contributions payable	235,000	65,000
Decrease/(increase) in debtors	33,580	(4,007)
(Decrease)/increase in creditors	(212,816)	339,662
Net cash (used in)/provided by operating activities	<u>(141,753)</u>	<u>465,510</u>

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

22. CASH FLOWS FROM INVESTING ACTIVITIES

	2023 £	2022 £
Purchase of tangible fixed assets	(117,017)	(174,249)
Capital grants from DfE Group	99,405	164,591
Interest receivable	2,142	270
Net cash used in investing activities	(15,470)	(9,388)

23. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2023 £	2022 £
Cash in hand and at bank	2,117,339	2,274,562
Total cash and cash equivalents	2,117,339	2,274,562

24. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	2,274,562	(157,223)	2,117,339
	2,274,562	(157,223)	2,117,339

25. PENSION COMMITMENTS

The Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by 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 of the LGPS 31 March 2022.

Contributions amounting to £93,140 were payable to the schemes at 31 August 2023 (2022 - £120,648) and are included within creditors.

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

25. PENSION COMMITMENTS (CONTINUED)

TEACHERS' PENSION SCHEME

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

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

VALUATION OF THE TEACHERS' PENSION SCHEME

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

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

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

The employer's pension costs paid to TPS in the year amounted to £839,008 (2022 - £802,268).

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

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

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

25. PENSION COMMITMENTS (CONTINUED)

LOCAL GOVERNMENT PENSION SCHEME

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £369,000 (2022 - £338,000), of which employer's contributions totalled £278,000 (2022 - £254,000) and employees' contributions totalled £91,000 (2022 - £84,000). The agreed contribution rates for future years are 17.5 per cent for employers and between 5.5 to 12.5 per cent for employees.

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

PRINCIPAL ACTUARIAL ASSUMPTIONS

	2023	2022
	%	%
Rate of increase in salaries	3.95	4.2
Rate of increase for pensions in payment/inflation	2.95	3.2
Discount rate for scheme liabilities	5.2	4.25
Inflation assumption (CPI)	2.95	3.2

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

	2023	2022
	Years	Years
<i>Retiring today</i>		
Males	20.5	23.5
Females	23.5	23.5
<i>Retiring in 20 years</i>		
Males	21.3	22.9
Females	25	25.3

SENSITIVITY ANALYSIS

	2023	2022
	£000	£000
Discount rate +0.1%	(122)	(147)
Discount rate -0.1%	122	144
Mortality assumption - 1 year increase	(191)	(218)
Mortality assumption - 1 year decrease	191	218
CPI rate +0.1%	103	124
CPI rate -0.1%	(103)	(124)

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

25. PENSION COMMITMENTS (CONTINUED)

SHARE OF SCHEME ASSETS

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

	At 31 August 2023 £	At 31 August 2022 £
Equities	4,052,230	3,737,960
Property	1,276,730	989,460
Cash and other liquid assets	222,040	769,580
Derecognise asset	(773,000)	(58,000)
Total market value of assets	4,778,000	5,439,000

The actual return on scheme assets was £148,000 (2022 - £308,000).

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

	2023 £	2022 £
Current service cost	510,000	804,000
Interest income	240,000	65,000
Total amount recognised in the Statement of Financial Activities	750,000	869,000

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

	2023 £	2022 £
At 1 September	5,439,000	8,369,000
Current service cost	510,000	804,000
Interest cost	243,000	150,000
Employee contributions	91,000	84,000
Actuarial gains	(1,459,000)	(3,968,000)
Benefits paid	(46,000)	-
At 31 August	4,778,000	5,439,000

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

25. PENSION COMMITMENTS (CONTINUED)

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

	2023 £	2022 £
At 1 September	5,439,000	4,851,000
Interest income	240,000	85,000
Actuarial (losses)/gains	(451,000)	223,000
Employer contributions	278,000	254,000
Employee contributions	91,000	84,000
Benefits paid	(46,000)	-
Derecognise asset	(773,000)	(58,000)
At 31 August	4,778,000	5,439,000

The actuarial valuation report as at 31 August 2023 produced an estimated asset as a result of changes in discount rates used in the valuation. As the asset is unlikely to be realised the Trust has not recognised this in the financial statements. This has reduced the value of scheme assets and an adjustment has been included in the SOFA to reflect this.

26. OPERATING LEASE COMMITMENTS

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

	2023 £	2022 £
Not later than 1 year	7,964	8,872
Later than 1 year and not later than 5 years	10,851	18,815
	<u>18,815</u>	<u>27,687</u>

27. MEMBERS' LIABILITY

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

STEEL RIVER ACADEMY TRUST
(A company limited by guarantee)

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

28. RELATED PARTY TRANSACTIONS

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

Mrs. P Petrie, wife of Mr. M Petrie (Member of the Trust Board), is employed by the trust as Co Senior Executive Leader of the Trust. Mrs. Petrie's was initially a founding Head Teacher of the trust which predated Mr. Petrie becoming a member of the Trust Board. Mrs. Petrie has since been appointed by the Trust Board to be a Co Senior Executive Leader of the Trust. This appointment was made after a consultation with the full trust board and Mr. Petrie was not part of any discussion. Mrs. Petrie is paid in line with the standard national pay scale and has received no special treatment as a result of the relationship to a member.