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Company registration number 08693259 (England and Wales)

**SKELTON PRIMARY SCHOOL**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**



# **SKELTON PRIMARY SCHOOL**

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# SKELTON PRIMARY SCHOOL

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Members

E McLeod  
M Brayshaw  
J Garratt

### Trustees

S E Walker (Principal and accounting officer)  
T Hill  
L Allan (Chair)  
G E Bland (Vice chair)  
H L Swarbrick  
R Swainson (Resigned 26 September 2022)  
R P Anderson  
M Bloomfield  
Cllr J Craig (Resigned 9 May 2023)  
D Leighton  
A J Woolf (Appointed 26 September 2022)  
J Tasker (Appointed 14 October 2022)

### Team leaders

J Maltby/ E English (shared)  
S Campbell  
K Pollitt/E Berriman (shared)  
K Duck  
E Sayer

### Senior management team

- Headteacher	S Walker
- Deputy Headteacher	L Krywicznanin
- Assistant Headteacher	N Chapman
- Assistant Headteacher	A Woolf
- Assistant Headteacher	S Newton
- School Business Manager	D Chadwick

**Company registration number** 08693259 (England and Wales)

**Registered office** Station Lane  
Skelton  
Saltburn-by-the-Sea  
TS12 2LR  
United Kingdom

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

# **SKELTON PRIMARY SCHOOL**

## **REFERENCE AND ADMINISTRATIVE DETAILS**

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### **Bankers**

Lloyds Bank plc  
37 Westgate  
Guisborough  
TS14 6BD  
United Kingdom

### **Solicitors**

BHP Law  
Kingfisher House  
2 Kingfisher Way  
Preston Farm  
Stockton-On-Tees  
TS18 3EX  
United Kingdom

# SKELTON PRIMARY SCHOOL

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2023

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The trustees present their annual report together with the financial statements and Auditor's report of the charitable company for the period 1st September 2022 to 31 August 2023. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy trust operates Primary School with two Nurseries for pupils aged 3-11 serving a catchment area in East Cleveland. The School has a pupil capacity of 630 and had a roll of 516 in the school census in January 2023.

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

##### Constitution

The academy 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.

The trustees of Skelton Primary School are also the directors of the Charitable Company for the purposes of company law. The Charitable Company operates as Skelton Primary School "a primary 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 3.

##### 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, as required in the academy trust's funding agreement/memorandum and articles of association, for the debts and liabilities contracted before they ceased to be a member.

##### Trustees' indemnities

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

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

The members may appoint up to eight Trustees. In addition to the Trustees Appointed, the members may appoint Staff trustees through such process as they may determine. The total number of Trustees (including the HT) who are employees of the Trust shall not exceed one third of the total number of Trustees. Parent Governors will be elected by Parents of registered pupils at the Trust. A Parent Governor must be a parent of a pupil at the time when he is elected. In appointing a Parent Governor, the Governing Body shall appoint a person who is the parent of a registered pupil at the Trust; or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age.

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

The Governing Body has a Service Level Agreement with Stockton Local Authority Governing Body Department, who advise Governors and minute meetings. Included in the SLA is a training package for all Trustees. A report is given at each Governing Body meeting on training undertaken.

# SKELTON PRIMARY SCHOOL

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### Organisational structure

The Head Teacher is the Schools Accounting Officer. The School has a Senior Leadership Team (SLT) that is made up of the Head Teacher, Deputy Head Teacher, Three Assistant Heads and the School Business Manager. The School also has a Management Team that consists of the above plus five Team Leaders. Decisions and developments on the day-to-day running of the School are approved at SLT level in line with the School Improvement Plan. The Governing Body has two sub committees; REF (Resources, Employment & Finance) and Pay which have their own remit. Depending on the committee remit, decisions can be made at subcommittee or full governing body level. All decisions that have a financial implication are made in line with the School's Finance Handbook. The budget is approved by the Full Governing Body. The Governors are responsible for the strategic management of the school; approving and setting key aspects of the school, including strategic direction, Annual budget, recruitment of senior members of staff, policy changes etc. The Head teacher and staff are responsible for the operational management. School policies are developed by senior members of the school staff to reflect both the strategic direction agreed by the Governors and statutory requirements. Policies are approved and adopted by the Governing Body and implemented as procedures by the SLT and Management Team.

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

The Performance of 'Leaders' at all levels will be evaluated against the Head Teacher standards as appropriate for the role. The Head teacher will recommend in line with the school Pay Policy whether the individuals' pay should be increased to the next incremental point within the scale agreed for their post.

In addition, all leaders are expected to perform at Band 3, Expert Teacher.

#### Head Teacher

New appointments: The REF review the school group in accordance with STPCD and select an indicative 7-point pay range appropriately, to be recorded in the committee minutes. A new Head teacher will usually be placed on a minimum of the established range, however the committee may consider using its discretion to pay at any points within the range or in exceptional circumstances may change the range. Reasons for exceptional circumstances must be recorded.

#### Head Teacher in post

The Head teacher's Pay range may be reviewed at any time.

A successful review may result in the award of 1 or 2 progression points (within the 7-point range). Where the Head teacher is at the top of their group and Governors determine further pay progression is appropriate the additional payment of up to 25% criteria as in STPCD. Minutes of any decisions should be carefully documented.

#### Deputy & Assistant Head teacher

DHTs & AHTs should be paid on a salary range, which adequately reflects the levels of duties and responsibilities. At S.P.S., this is a 5-point scale. The pay range should not overlap the HT pay range. A successful review may result in the award of 1 or 2 progression points (within the 5-point range). REF should review the salary scale when a new appointment is made. A new DHT/ AHT will usually be placed on the minimum of the established range however; the committee may consider using its discretion to pay at any points on the range.

#### Support staff

Support Staff at all levels will be evaluated against the professional standards as appropriate for the role and the relevant Career Stage Expectations. The Head teacher will recommend whether the individuals' pay should be increased to the next incremental point within the scale agreed for their post.

# SKELTON PRIMARY SCHOOL

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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

The School is an associate member of the East Cleveland Co-operative Learning Trust. The Trust meets legal requirements and has exclusively charitable objectives. The Trust is made- up of nine maintained schools and ten associate members including primary, secondary and Academies. The Trust has been inactive for the last four years.

The school has a Parent & Teacher Association called Friends of Skelton Primary School. Friends support the School by fundraising and making links with the local community.

As a single Academy, the school works closely within NESTA (North East School Teaching Alliance) supporting with ITT, mentoring at least two student teachers annually. It also collaborates with Prince regent MAT & Ironstone MAT promote staff development and best practice.

#### **Objectives and activities**

##### Objects and aims

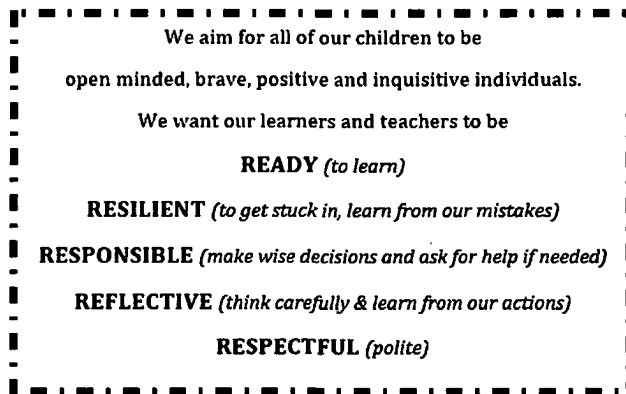
The principal object and aim of the Trust is the operation of Skelton Primary School to provide education in a safe secure environment to pupils between 3-11

Skelton Primary School became an academy on November 1st 2013. It has 518 on role with two nurseries and three-form entry in all year groups barring Year 5, Year 2 and FS2, which are 2 form entry for this academic year. We also have a mixed ability class in Year 1 that includes 9 pupils from FS2.

### ***VISION***

We share our aims with even the youngest children throughout the year and illustrate them in all of our relationships, effort achievements at Skelton Primary School.

**We aim for all of our children to be open minded, brave, positive and inquisitive individuals.**



#### Public benefit

In setting our Objectives and planning our activities the Trustees have carefully considered the Charity Commission's general guidance on Public benefit. The key public benefit delivered by Skelton Primary School is the maintenance and development of high quality education to its pupils and the support to their families and the whole community.

# SKELTON PRIMARY SCHOOL

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

### Strategic report

#### Achievements and performance

The school achieved a good Ofsted report in 2017, since then the school has continued to triangulate the analysis of data, books and observations of teaching to ensure the curriculum offer and teaching meets the needs of the children currently in our care. Our school Improvement plan focuses on continuing to develop and improve in all areas including the achievement of our pupils, teaching & learning, behaviour and leadership and management. In 2022 we had a section 8 inspection, and our grading was left as good. Comments in the report included

- Leaders have high expectations for all pupils.
- Pupils achieve well across the curriculum.
- Pupils and staff feel happy and safe
- Pupils are well behaved at school.
- Leaders have created a well-planned curriculum.
- The provision in early years is well organised.
- Leaders and staff ensure that reading has a high priority in school.
- Pupils with special educational needs and/or disabilities (SEND) are identified early, and effective support is put in place.
- The school is well led and managed.
- The arrangements for safeguarding are effective.

#### Key performance indicators

September 2023 data on a page – statutory

What?	Who?	2023	National	School (2022)
<b>EYFSP - Early Years</b> Foundation Stage Profile - and expected child has reached Good Level of Development (GLD)	Reception	52%	65% (2022)	74%
<b>Phonic Screening</b> - tests a child's phonic knowledge for decoding words.	Year 1	75%	79%	81%
<b>KS1 Assessment</b> - Children at the end of their KS1 journey are tested in reading and maths. Writing is Teacher Assessment - this is reported at a national level.	Year 2	68% / 9%	68%/19%	Reading - 57% / 6%
	Year 2	57% / 0%	60%/8%	Writing - 44% / 0%
	Year 2	70% / 4%	70 % /16%	Maths - 65% / 10%
<b>Multiplication Tables Check</b> - children are tested on their ability to calculate mentally up to 21x12 in 6 seconds - there is no pass mark	Year 4	33% of children scored 100% Average Score 20.5	NA ?	18% of children scored 100% Average score 17.7
<b>KS2 assessments</b> - at the End of KS2 children take part in SATS in reading, maths and GPS (Grammar, Punctuation and Spelling). Teacher Assessments are submitted for Writing and Science - we were moderated for writing this year. NB national Greater Depth has not yet been released so only the expected national is reported.	Year 6	Reading 80% / 35%	73% / 29%	Reading - 81% / 39%
	Year 6	Writing 79% / 12%	71% / 13%	Writing - 77% / 6%
	Year 6	Maths 76% / 21%	73% / 24%	Maths - 84% / 16%
<b>Combined</b> looks at reading, writing and maths	Year 6	Combined 69% / 7%	59% / 8%	Combined - 69% / 2%
<b>Grammar, Punctuation and Spelling</b>	Year 6	GPS - 81% / 36%	72% / 30%	GPS - 83% / 20%



# SKELTON PRIMARY SCHOOL

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Progress is in the middle 20% in reading writing and maths – an improvement on last year in reading and writing

<b>School Progress Context</b>		
	<b>Progress Score</b>	<b>School progress summary</b>
<b>Reading</b>	<b>0.56</b>	<b>Middle 20%</b>
<b>Writing</b>	<b>0.05</b>	<b>Middle 20%</b>
<b>Maths</b>	<b>0.21</b>	<b>Middle 20%</b>

As a result of triangulating this data, books and observing teaching and learning our 2023/2024 headlines are...

	<b>Intent</b>
<b>Writing Attainment</b>	<ul style="list-style-type: none"> <li>• Improve attainment in writing at the expected standard and at GDS</li> </ul>
<b>Reading</b>	<ul style="list-style-type: none"> <li>• To bridge the gap between children completing phonics scheme and starting AR.</li> <li>• Create more opportunity to develop reading for pleasure.</li> <li>• Teach RWI consistently to a high standard</li> </ul>
<b>Maths attainment</b>	<ul style="list-style-type: none"> <li>• Upskill staff in the teaching of measure.</li> <li>• Ensure that arithmetic that children can access independently (mentally or with aids) is offered dai</li> <li>• To offer more GD opportunity within maths through well designed tasks and skilled questioning.</li> </ul>
<b>Behaviour</b>	<ul style="list-style-type: none"> <li>• For staff and children to have a clear understanding of behaviour expectations around routines, including rewards and consequences in relation to these.</li> </ul>
<b>Wider Curriculum</b>	<ul style="list-style-type: none"> <li>• Deliver a well thought through developmental curriculum to engage all learners and embed learnin the foundation subjects based on the areas that staff identified as being priorities in the coming year.</li> </ul>

With underlying -

1. Phonics screening results (linked to best practice RWinc outlined in RWInc action plan)
2. EYFS best practice to be outlined in the School Improvement Plan for FS2

# SKELTON PRIMARY SCHOOL

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

2022 / 2023 In house attainment / progress data: Year 1-6:

NURSERY - Summer						
AREA	No.	Early Learning Goal	ATTAINMENT SUMMARY		PROGRESS SUMMARY	
			ON TRACK+	AT+	Nurs Entry - Nurs Summer	PTS PROG
CL	1	Communication and Language	79%	63%	Out	3.86
PSE	2	Physical Development	73%	61%	Out	3.88
PD	3	Personal, Social and Emotional	71%	61%	Out	4.06

Subject		ON TRACK+	AT+	Entry/Baseline - Summer	PTS PROG
<b>Year 1</b> Pupils 71 Dis 20 (28%) SEN 9 (13%)	Reading	94%	69%	Req Imp	2.68
	Writing	89%	65%	Req Imp	2.72
	Maths	94%	82%	Good	2.87
	Science	100%	63%	Req Imp	2.71
<b>Year 2</b> Pupils 47 Dis 20 (43%) SEN 11 (23%)	Reading	77%	68%	Req Imp	2.73
	Writing	79%	57%	Req Imp	2.71
	Maths	91%	64%	Req Imp	2.84
	Science	100%	100%	Good	3.00
<b>Year 3</b> Pupils 63 Dis 20 (32%) SEN 13 (21%)	Reading	75%	63%	Good	2.85
	Writing	70%	54%	Good	3.02
	Maths	84%	76%	Good	3.08
	Science	87%	68%	Req Imp	2.77
<b>Year 4</b> Pupils 70 Dis 29 (41%) SEN 13 (19%)	Reading	81%	74%	Good	3.00
	Writing	74%	57%	Good	2.94
	Maths	83%	73%	Req Imp	2.76
	Science	73%	60%	Good	2.94
<b>Year 5</b> Pupils 58 Dis 25 (43%) SEN 6 (10%)	Reading	78%	67%	Good	3.00
	Writing	66%	55%	Good	2.86
	Maths	81%	64%	Good	2.91
	Science	81%	64%	Good	3.00

# SKELTON PRIMARY SCHOOL

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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Internal data this has been moderated in teams and cross phase (EY, Y2 and Y6 externally also). Where progress was not 'good' we have evaluated systems, we have in place to ensure teacher judgement is secure in summative assessments. There is a PD day planned which is dedicated to this in the coming year (2023/2024).

Attainment is continuing to rise in most areas of school and the curriculum.

#### Free school meals and Pupil Premium:

#### EYFS

#### **2023 EYFS School Disadvantaged vs National 'Other' (Not Disadvantaged)**

38% of pupils are Disadvantaged - 22 pupils (12 boys and 10 girls).

36% of Disadvantaged pupils achieved the GLD.

Disadvantaged pupils are below Disadvantaged pupils Nationally.

#### Key Stage 1

#### **2023 Y1 Phonics School Disadvantaged vs National 'Other' (Not Disadvantaged)**

28% of pupils are Disadvantaged - 20 pupils (11 boys and 9 girls).

55% of Disadvantaged pupils achieved the standard compared to 84% of 'Other' pupils Nationally. Therefore, there is an achievement gap of 29%. National Disadvantaged is 71%. Disadvantaged pupils are below Disadvantaged pupils National

Over the last three years 67% of disadvantaged pupils (44/66) have achieved the expected standard.

#### **2023 Writing School Disadvantaged vs National 'Other' (Not Disadvantaged)**

43% of pupils are Disadvantaged - 20 pupils (12 boys and 8 girls).

45% of Disadvantaged pupils achieved the expected standard compared to 73% of 'Other' pupils Nationally. Therefore, there is an achievement gap of 28%. National Disadvantaged is 55%. Disadvantaged pupils are below Disadvantaged pupils Nationally.

Over the last three years 43% of disadvantaged pupils (23/54) have achieved the expected standard or above.

#### **2023 Maths School Disadvantaged vs National 'Other' (Not Disadvantaged)**

43% of pupils are Disadvantaged - 20 pupils (12 boys and 8 girls).

60% of Disadvantaged pupils achieved the expected standard compared to 79% of 'Other' pupils Nationally. Therefore, there is an achievement gap of 19%. National Disadvantaged is 62%. Disadvantaged pupils performance is similar or better than Disadvantaged pupils Nationally, but still below 'Other' pupils Nationally.

Over the last three years 57% of disadvantaged pupils (31/54) have achieved the expected standard or above.

#### **2023 Reading School Disadvantaged vs National 'Other' (Not Disadvantaged)**

43% of pupils are Disadvantaged - 20 pupils (12 boys and 8 girls).

55% of Disadvantaged pupils achieved the expected standard compared to 78% of 'Other' pupils Nationally. Therefore, there is an achievement gap of 23%. National Disadvantaged is 62%. Disadvantaged pupils are below Disadvantaged pupils Nationally.

Over the last three years 52% of disadvantaged pupils (28/54) have achieved the expected standard or above.

# SKELTON PRIMARY SCHOOL

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### Key Stage 2

#### **2023 RWM combined (EXP) School Disadvantaged vs National 'Other' (Not Dis)**

39% of pupils are Disadvantaged - 29 pupils (14 boys and 15 girls).

62% of Disadvantaged pupils achieved the expected standard compared to 71% of 'Other' pupils Nationally. Therefore, the achievement gap of 9%. National Disadvantaged is 51%. Disadvantaged pupils performance is similar or better than Disadvantaged pupils Nationally, but still below 'Other' pupils Nationally.

Over the last three years 62% of disadvantaged pupils (53/86) have achieved the expected standard or above.

#### **2023 Multiplication Tables Check School Disadvantaged vs National 'Other' (Not Disadvantaged)**

The percentage of disadvantaged pupils achieving full marks (25/25) in the Year Four Multiplication Tables Test is 31%.

The average score of disadvantaged pupils who took the Year Four Multiplication Tables Test is 18.7 (out of 25).

#### **2023 Reading School Disadvantaged vs National 'Other' (Not Disadvantaged)**

39% of pupils are Disadvantaged - 29 pupils (14 boys and 15 girls).

76% of Disadvantaged pupils achieved the expected standard compared to 78% of 'Other' pupils Nationally. Therefore, the achievement gap of 2%. National Disadvantaged is 62%. The performance of Disadvantaged pupils in school is similar or better than Disadvantaged pupils Nationally.

Over the last three years 74% of disadvantaged pupils (64/86) have achieved the expected standard or above.

#### **2023 Writing School Disadvantaged vs National 'Other' (Not Disadvantaged)**

39% of pupils are Disadvantaged - 29 pupils (14 boys and 15 girls).

76% of Disadvantaged pupils achieved the expected standard compared to 83% of 'Other' pupils Nationally. Therefore, the achievement gap of 7%. National Disadvantaged is 68%. Disadvantaged pupils performance is similar or better than Disadvantaged pupils Nationally, but still below 'Other' pupils Nationally.

Over the last three years 73% of disadvantaged pupils (63/86) have achieved the expected standard or above.

#### **2023 Maths School Disadvantaged vs National 'Other' (Not Disadvantaged)**

39% of pupils are Disadvantaged - 29 pupils (14 boys and 15 girls).

69% of Disadvantaged pupils achieved the expected standard compared to 84% of 'Other' pupils Nationally. Therefore, the achievement gap of 15%. National Disadvantaged is 67%. Disadvantaged pupils performance is similar or better than Disadvantaged pupils Nationally, but still below 'Other' pupils Nationally.

Over the last three years 76% of disadvantaged pupils (65/86) have achieved the expected standard or above.

#### **2023 SpaG School Disadvantaged vs National 'Other' (Not Disadvantaged)**

39% of pupils are Disadvantaged - 29 pupils (14 boys and 15 girls).

83% of Disadvantaged pupils achieved the expected standard compared to 83% of 'Other' pupils Nationally. Therefore, the achievement gap of 0%. National Disadvantaged is 67%. The performance of Disadvantaged pupils in school is similar or better than Disadvantaged pupils Nationally.

Over the last three years 78% of disadvantaged pupils (67/86) have achieved the expected standard or above.

# SKELTON PRIMARY SCHOOL

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 2. Key Development Areas 2023-2024

	Intent	Implementation	Impact
<i>Writing Attainment</i>	<ul style="list-style-type: none"> <li>• Improve attainment in writing at the expected standard and at GDS</li> </ul>	<ul style="list-style-type: none"> <li>• Target WTS children</li> <li>• Children identified on Standards for spotlight in following year,</li> <li>• Refine the use of <del>chotting</del></li> <li>• Consistent use of updated policy,</li> <li>• Y6 children (week 4 check - borderline),</li> <li>• Y2 children (week 2 check - expectations),</li> <li>• GDs opportunities identified in planning,</li> <li>• Use of spelling shed to support phonics,</li> <li>• Use of spelling shed data effectively,</li> <li>• Repeating <del>excess</del></li> <li>• Use of aids in the classroom,</li> <li>• Handwriting daily.</li> </ul>	<ul style="list-style-type: none"> <li>• Attainment in writing to increase in all year groups</li> <li>• %age of children assessed at GDS standard throughout school to increase</li> </ul>
<i>Reading</i>	<ul style="list-style-type: none"> <li>• To bridge the gap between children completing phonics scheme and starting AR.</li> <li>• Create more opportunity to develop reading for pleasure.</li> <li>• Teach RWI consistently to a high standard</li> </ul>	<ul style="list-style-type: none"> <li>• Explore Reading Buddies</li> <li>• Work alongside English Hub – developing reading enjoyment</li> <li>• Phonics lead to coach and monitor in delivery of RWI</li> <li>• Buy into Ruth Miskin for CPD videos for another year</li> </ul>	<ul style="list-style-type: none"> <li>• Reading attainment to increase at KS1 exit</li> <li>• Overall improvement in reading attainment throughout school</li> <li>• All children off phonic scheme before entering KS2</li> </ul>
<i>Maths attainment</i>	<ul style="list-style-type: none"> <li>• Upskill staff in the teaching of measure.</li> <li>• Ensure that arithmetic that children can access independently (mentally or with aids) is offered daily.</li> <li>• To offer more GD opportunity within maths through well designed tasks and skilled questioning.</li> </ul>	<ul style="list-style-type: none"> <li>• Prioritise learning based on App data and long term plan accordingly (not just following WRM)</li> <li>• Maths team to develop efficiency of UFO and create standardised format</li> <li>• Observation of lessons - targeted support and coaching for staff in the use of questioning and task design to aid GDS thinking (ES, EB, KP)</li> </ul>	<ul style="list-style-type: none"> <li>• Attainment throughout school to increase,</li> <li>• Measures <u>inline</u> with end of yr expected,</li> <li>• Arithmetic average to improve at KS2 exit.</li> </ul>
<i>Behaviour</i>	<ul style="list-style-type: none"> <li>• For staff and children to have a clear understanding of behaviour expectations around routines, including rewards and consequences in relation to these.</li> </ul>	<ul style="list-style-type: none"> <li>• CPD 10 mins weekly staff</li> <li>• Introduce assemblies each week in first half term,</li> <li>• Half hour lesson weekly in first half term to explain purpose to children,</li> <li>• Head teachers aware to reflect each expectation,</li> <li>• Linked to SRs.</li> </ul>	<ul style="list-style-type: none"> <li>• Less time spent on teachers / SLT dealing with low level behaviours</li> <li>• More teaching time</li> </ul>
<i>Wider Curriculum</i>	<ul style="list-style-type: none"> <li>• Deliver a well thought through developmental curriculum to engage all learners and embed learning in the foundation subjects based on the areas that staff identified as being priorities in the coming year.</li> </ul>	<ul style="list-style-type: none"> <li>• BI planned to address identified weaknesses. In particular (Geography – fieldwork, Computing – coding, Music – playing an instrument)</li> </ul>	<ul style="list-style-type: none"> <li>• Improved skills in the areas identified (more children reaching expected standard in Geography, Computing and Music)</li> </ul>

#### Going concern

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

# SKELTON PRIMARY SCHOOL

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### Financial review

- The principal sources of income are the ESFA and the Local Authority.
- Total income for the 12-month period was £2,809,776 of which
- £2,472,920 (88%) came from ESFA,
- £234,025 (8%) came from the LA,
- £102,831 (4%) came from other sources.
- Funding from the ESFA is for 455 pupils as opposed to 454 last year.
- The school has been able to partake in some of its usual fundraising activities which has an important funding stream to provide additional resources for school.

Pay Costs represent 85% of the School's overall income and Non-Pay costs are largely a continuation of current contracts, commitments and maintenance as well as educational resources.

The investment for each child from Y2-6 to have their own Ipad continues to help hugely the efficiency of learning, continued reduced printing costs and increased IT standards with the everyday use of email, smart boards and QR codes.

Afternoon learning is recorded into Big ideas books, each child has one A2 album. Children are taught to make links and scrap book to maximise the presentation of their learning, consolidating the key drivers of problem solving the 5Rs, independence and practical activities.

#### Reserves policy

The level of reserves are reviewed by Trustees throughout the year taking into consideration income and expenditure. Trustees have determined the appropriate level of free reserves should be equivalent to at least one and half month's operational costs. This will provide sufficient working capital to cover delays between spending and receipt of grants and to provide sufficient funds to deal with any unforeseen emergencies such as urgent maintenance. The Schools free reserves (total funds less the amount held in fixed assets and restricted funds) at the end of the period are £397,745. The school plans to use some of its reserves to cushion the decrease in funding due to a fall in pupil numbers. School reserves are considered to be appropriate and sufficient to cope with any unforeseen contingencies.

#### Investment policy

The School does not hold any Investments and will wait to establish a stable Cash Flow. When Governors feel that cash flow is stable, if it is found that the School is able to generate better returns than currently provided in the deposit account investments will be made by creating termly deposits for longer periods with the Schools Bankers – Lloyds.

# SKELTON PRIMARY SCHOOL

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### Principal risks and uncertainties

An essential part of financial planning is consideration of risks to the School. This covers all risks, not merely financial risks, as mitigation of non-financial risks can still have financial consequences. The SBM maintains a detailed risk -register. This needs to be updated regularly and considered by the Governing Body alongside the annual budget submission. The Resource Employment Finance and Audit Committee should have risk management as a standing item on their agenda, and any significant changes to the register should be considered at each meeting.

The Trustees are responsible for keeping staff, pupils and visitors safe and as an employer we have a Health and Safety duties. Maintenance of the school is an important part of complying with these duties the Trustees review the risks they face and decide how best to manage them. This is outlined in the schools Risk Management Strategy and its objectives which are:

- To comply with risk management best practice;
- To ensure risks facing the School are identified and appropriately documented;
- To provide assurance to the Governors that risks are being adequately controlled, or identify areas for improvement;
- To ensure action is taken appropriately in relation to accepting, mitigating, avoiding and transferring risks.

The principal risks have been identified as:

- Reputational – we aim to maintain and continually improve our educational offer and to attract all of our catchment area families.
- Build. The new build will be a protracted period of disruption for our children and staff. We aim to make it as seamless and smooth as much as we can.
- Falling roll. LA estimate roll fall from 500+ to 450's could mean a 10% drop in income
- ESFA Funding – there is no guarantee that government policy or practice will remain the same, policy changes could have a negative impact on funding levels
- Universal Infant Free School Meals – the introduction of UIFSM could potentially affect the level of funding if parents entitled to Free School Meals do not register their entitlement (School, at least annually, canvasses FS2/KS1 parents to highlight the benefits of applying for FSM- discounted trips etc.)
- LGPS defined benefit Pension scheme
- Staff Absence
- Pandemic
- Cyber attack
- School Building Safety and Compliance

#### Risk Management

The School has carried out a Financial Risk & Control checklist. This checklist is intended to help review levels of internal control with a view to assessing the likelihood/impact of any risk arising from the controls not being in place. The checklist is completed on an annual basis as part of the annual Statement of Internal Control that is to be signed by the Head teacher, Chair of Governors or Chair of Resource Employment & Finance Committee.

#### Fundraising

The academy trust does not have any external fundraisers. Fundraising is monitored by the Trustees. The school PTA has continued its programme of events for the whole year the first time since the Pandemic.

# SKELTON PRIMARY SCHOOL

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Plans for future periods

1. We plan to continually invest in our staff to ensure that our children receive the best education offer with an enriching and progressive skills and knowledge- based curriculum. A number of Staff are undertaking NPQs and will complete in the summer term of 2024, staff are also encouraged to use allocated time to see best practice both in other parts of schools and neighbouring.

2. As the intake changes we are needing to equip our staff to cope with more challenging additional needs and are lucky to have a qualified Nurture team with much expertise to share. This expertise is tentatively being shared in parent groups to ensure support is in place at home.

3. We are tentatively told that the new school build process will begin in spring of 2024 with children decanting in autumn of 2025. Moving from a well- stocked big building to a smaller building will be quite an undertaking. Equipment, storage and resources will need careful consideration, we will be asking – What do we really need? What do we have space for? This process has already begun.

4. We continue to collaborate with a number of local MATS to support our teaching & learning offer and keep the agenda of trusts on our termly meetings to ensure that we are making the best decisions for our children

### Funds held as custodian trustee on behalf of others

The Academy has no funds for which it is acting as custodian trustee.

### Auditor

Insofar as the trustees are aware:

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

A resolution proposing that Azets Audit Services be reappointed as auditor of the charitable company will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on ...18/12/23..... and signed on its behalf by:



.....  
L Allan  
Chair



# SKELTON PRIMARY SCHOOL

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Skelton Primary School 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 Head teacher, 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 Skelton Primary School and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

### Governance

The information on Governance included here supplements that as described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 9 times during the year. Attendance during the year of Board of Trustees was as follows:

Trustees	Meetings attended	Out of possible
S E Walker (Principal and accounting officer)	9	9
T Hill	6	6
L Allan (Chair)	5	6
G E Bland (Vice chair)	9	9
H L Swarbrick	5	5
R Swainson (Resigned 26 September 2022)		
R P Anderson	9	9
M Bloomfield	9	9
Cllr J Craig (Resigned 9 May 2023)	2	4
D Leighton	5	6
A J Woolf (Appointed 26 September 2022)	4	5
J Tasker (Appointed 14 October 2022)	5	5

### Governance

#### Reviews conflicts of interest

Governors meet every half term as a minimum, governors are aligned with year groups and make visits when they can and see the School Improvement Plan in action. The HT shares a weekly bulletin with both staff and governors to keep everyone up to date with whole school issues and half termly mini surveys are conducted and outcomes shared to reassure colleagues about current joys/ concerns and solutions in place. A Skills Audit is undertaken annually to ensure effective governance.

Membership is reviewed annually and currently all roles are filled with proactive, challenging and supportive colleagues.

The document introduced previously containing KPIs, improvement targets and clarifying governor strategic is now a permanent feature of SPS Governing body.

The Resource Employment and Finance & Audit Committee is a sub-committee of the main board of trustees. In particular the committee will

# SKELTON PRIMARY SCHOOL

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Finance

- To consider the Academy's indicative funding, notified annually by the ESFA, and to assess its implications for the academy, in consultation with the Head Teacher in advance of the financial year, drawing any matters of significance or concern to the attention of the Governing Body.
- To consider and recommend to the governing body acceptance of the academy's budget, at the start of each financial year.
- To contribute to the formulation of the academy's development plan, through the consideration of financial priorities and proposals, in consultation with the Head Teacher with the stated and agreed aims and objectives of the academy.
- To receive and make recommendations on the broad budget headings and areas of expenditure to be adopted each year, including the level and use of any contingency fund or balances, ensuring the compatibility of all such proposals with the development priorities set out in the development plan.
- To liaise with and receive reports from the Curriculum, Achievement and Standards and Children, Families and Community Committees, as appropriate, and to make recommendations to those committees about the financial aspects of matters being considered by them.
- To monitor and review expenditure on a regular basis and ensure compliance with the overall financial plan for the academy, and with the financial regulations of the DfE, drawing any matters of concern to the attention of the Governing Body.
- To monitor and review procedures for ensuring the effective implementation and operation of financial procedures, on a regular basis and in response to reports from the accounting officer/responsible officer, including the implementation of bank account arrangements and, where appropriate to make recommendations to the governing body for improvement.
- To approve the financial statement for filing in accordance with Companies Act and Charity Commission requirements
- To be responsible to the Board for ensuring compliance with the Funding Agreement and all relevant financial regulations relating to the Academy is observed.
- To advise on major financial decisions that may affect the Academy's resources and finances and the risks involved in such decisions including value for money.
- To oversee treasury management and associated risk.
- To advise the Governing Body on other methods of income generation
- Oversee any capital investment programmes and advise the Governing Body as appropriate
- Additional items which the Governing Body may wish to include

### Premises, health and safety

- draw up medium and long term plans relating to the repair, maintenance and development of premises and recommend action to the governing body;
- agree the lettings and charges policy for the use of Academy premises;
- keep the health and safety and emergency procedures and policies under review, ensuring that necessary checks and assessments are carried out and prioritised for action
- seek professional external advice as and when appropriate, inclusive of support offered through service level agreements, to ensure that the academy complies with all current health and safety requirements

### Staffing

- agree the staffing establishment and structure (teaching and non-teaching) at least annually in relation to the budget and the Academy development plan;
- keep under review appropriate staffing policies and procedures - to include grievance, discipline, redundancy, capability, sickness absence; performance management, whistle blowing, pay and conditions of employment and ensure staff are consulted and informed appropriately;
- recommend to the governing body the procedure for filling vacancies and making staff appointments below the Leadership Group;
- monitor the impact of equalities and diversity policies on staff recruitment and retention;
- ensure the Academy complies with the latest requirements in relation to safe recruitment and safeguarding procedures;
- consider any issues referred by the head teacher outside any scheme or policy adopted by the governing body.

# SKELTON PRIMARY SCHOOL

## GOVERNANCE STATEMENT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

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The day-to-day running of the School has been delegated to the Head teacher or the deputy in her absence.

Attendance at the meetings in the period of this report are as follows

Trustees	Meetings attended	Out of possible
S E Walker (Principal and accounting officer)	3	3
G E Bland (Vice chair)	3	3
R P Anderson	3	3
M Bloomfield	3	3

Governors have a wide mix of experience including data handling, budgeting, law and personal management. Governors have a good knowledge of the school and its structure and are aware of the main challenges the school faces in raising achievement to and beyond, national levels.

### Conflicts of Interest

All Trustees are mandated to declare their business and pecuniary interests on appointment and at least annually thereafter or when there is any change in their interests at any point. A new Trustee will be provided with a copy of the conflicts of interest policy before appointment. A Declaration of Interest is a standing item on each Agenda.

### Review of value for money

As accounting officer the Head Teacher has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes, as well as estates safety and management, 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 available. The accounting officer for the academy trust has delivered improved value for money during the year by:

# SKELTON PRIMARY SCHOOL

## GOVERNANCE STATEMENT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

In particular, accounting officers should consider demonstrating how they have effectively used relevant funding to ensure the trust's estate is safe, well-maintained, and complies with regulations.

VALUE FOR MONEY	ACTIONS TAKEN	IMPROVEMENT IN OUTCOMES
<b>New initiatives</b>	<ul style="list-style-type: none"> <li>• SIMs led reporting at mid &amp; end of year.</li> <li>• New build removes the need for school to replenish smartboards &amp; server.</li> </ul>	<ul style="list-style-type: none"> <li>• Staff wellbeing. Streamline, effective data than populates SIMs.</li> <li>• Money targeted elsewhere.</li> </ul>
<b>Better purchasing</b>	<ul style="list-style-type: none"> <li>• Supporting SCITT &amp; NESTA supporting student teachers</li> <li>• Three quotes for jobs over £3k</li> <li>• Collaboration with similar schools.</li> </ul>	<ul style="list-style-type: none"> <li>• Top quality students, in turn ensuring succession planning.</li> <li>• Best pricing allowing max spend on our children.</li> </ul>
<b>Targeted improvement</b>	<ul style="list-style-type: none"> <li>• Phonic teaching resources to be enhanced and delivery targeted across school in a consistent manner (Y5- FS)</li> <li>• Targeted support with speech &amp; language and gross &amp; fine motor skills.</li> <li>• Year group leaders target setting alongside SLT</li> <li>• THRIVE sessions introduced for families</li> <li>• Rising 3's parent sessions pre school start</li> </ul>	<ul style="list-style-type: none"> <li>• Lifting struggling readers</li> <li>• Promote independence &amp; core skill.</li> <li>• Capacity to engage in phonics and spelling</li> <li>• Support the transition into full time school easier for children who need extra support.</li> <li>• Inspired teaching staff, challenged to further improve their provision for diverse needs</li> <li>• Gauge family engagement</li> </ul>
<b>Benchmarking</b>	<ul style="list-style-type: none"> <li>• Support for staff, monitoring data &amp; performance. Team teaching &amp; focus on personalised learning.</li> <li>• Phonic streaming for an hour daily</li> <li>• Interventions planned straight after assessment week</li> </ul>	<ul style="list-style-type: none"> <li>• Progress data is steady across school</li> <li>• Well pitched support</li> </ul>
<b>Estate Management</b>	<ul style="list-style-type: none"> <li>• Implement the 7 functions of estate management as outlined in Good Estate Management for Schools (GEMS)</li> <li>• Business Continuity Plan in place</li> </ul>	<ul style="list-style-type: none"> <li>• Plans in place to support educational goals</li> <li>• Procuring appropriate services through Service Level Agreements</li> <li>• Identifying areas to deliver efficiencies</li> </ul>
<b>Health &amp; Safety and Compliance</b>	<ul style="list-style-type: none"> <li>• Ensuring the school is safe for all users</li> <li>• Maintain and update Risk register</li> <li>• Maintaining the estate and ensure the relevant compliance policies are in place</li> <li>• Health &amp; safety Audit conducted annually by R&amp;CBC</li> </ul>	<ul style="list-style-type: none"> <li>• Procedures in place to deal with H&amp;S issues</li> <li>• Taking action to minimise risk</li> <li>• School fully compliant with relevant legislation and regulatory standards</li> <li>• Responsibilities for H&amp;S are clearly defined</li> <li>• Audit recommendations are actioned within the appropriate timescale</li> </ul>
<b>Economies of scale</b>	<ul style="list-style-type: none"> <li>• Utilising SLT to cover short term absence.</li> <li>• Sharing buses with local schools for events.</li> <li>• Working alongside Ironstone, Prince Regent to cross moderate from FS-Y6</li> </ul>	<ul style="list-style-type: none"> <li>• Saving money</li> <li>• Quality provision within ratio</li> <li>• Cross school moderation</li> </ul>

# SKELTON PRIMARY SCHOOL

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### **The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy's 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 Skelton Primary School for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

### **Capacity to handle risk**

The Board of Trustees has reviewed the key risks to which the School is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that

there is a formal on-going process for identifying, evaluating and managing the trust's significant risk that has been in place for the period 1 September 2021 to 31 August 2022 and up to date approval of the annual report and financial statements. The process will be regularly reviewed by the board of trustees.

### **The Risk and Control Framework**

The trust's system of internal 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 Resource Employment and Finance Committee of management reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided

- to buy-in an audit service from UNW

# SKELTON PRIMARY SCHOOL

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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The auditor's role includes giving advice on financial and other matters and performing a range of checks on the school's financial and other systems. The auditor provides an Internal Assurance report, through the REF Committee on the operation of the systems of control and on the discharge of the board of trustees' responsibilities.

In the Spring (covers Autumn) and Summer term, UNW the auditor reports to the board of trustees, through the REF Committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

In determining the priority rankings of Internal Assurance recommendations, we consider the potential impact and exposure to the trust against the probability of occurrence. Detailed below is a summary of our priority ranking matrix.

#### High

These matters are fundamental to your internal control processes and should be addressed as a matter of urgency

#### Medium

These matters are important to your internal control systems and should be addressed but may not require immediate action.

#### Low

Such matters may represent best practice or suggested improvement to a system that is already working effectively.

In determining the priority rankings of internal assurance recommendations, we consider the potential impact and exposure to the trust against the probability of occurrence.

#### **The Work Programme Autumn and Spring Term 2022/2023**

- payroll
- purchases
- income
- bank
- management accounts
- credit and debit accounts
- service level agreements
- connected parties
- fixed assets
- reconciliation
- governance and ESFA returns
- IT
- Vat
- premises

**No recommendations**

#### **The Work Programme Summer Term 2023**

- payroll
- purchases
- income
- bank
- management accounts
- service level agreements
- connected parties
- fixed assets
- premises
- governance
- bank

**No recommendations**

# SKELTON PRIMARY SCHOOL

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Review of effectiveness

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

- the work of the external auditor
- the work of the internal auditor
- the work of the executive managers within the academy who have the 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 REF and Audit Committee and ensure continuous improvement of the system is in place.

Approved by order of the board of trustees on .....18/12/23.... and signed on its behalf by:



S E Walker

Principal and accounting officer



L Allan

Chair

# SKELTON PRIMARY SCHOOL

## STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2023

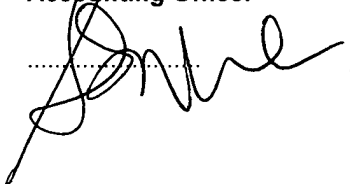
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As Accounting Officer of Skelton Primary School Trust I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with 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 Schools Financial Handbook 2022. Including responsibilities for estates and safety management.

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

S E Walker  
Accounting Officer



18/12/23



# SKELTON PRIMARY SCHOOL

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

**FOR THE YEAR ENDED 31 AUGUST 2023**

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The trustees (who are also the directors of Skelton Primary School for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2022 to 2023 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the trustees are required to:

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

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

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

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

Approved by order of the members of the board of trustees on 18/12/23 and signed on its behalf by:



L Allan  
Chair

# SKELTON PRIMARY SCHOOL

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SKELTON PRIMARY SCHOOL

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Opinion

We have audited the accounts of Skelton Primary School for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2015 and the Academies Accounts Direction 2022 to 2023 issued by the Education & Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023.

### Basis for opinion

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

### Emphasis of matter - LGPS disclosure

We draw your attention to note 2 to the financial statements which describes how the LGPS balance has been accounted for. Our opinion is not modified in respect of this matter.

### Conclusions relating to going concern

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

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

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

### Other information

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

We have nothing to report in this regard.

# SKELTON PRIMARY SCHOOL

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SKELTON PRIMARY SCHOOL (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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

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

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

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

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

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

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

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

### **Responsibilities of trustees**

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

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

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

# SKELTON PRIMARY SCHOOL

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SKELTON PRIMARY SCHOOL (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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

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

- Enquiry of senior leadership, Governors/Trustees and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations including compliance with the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency;
- Performing audit work over the recognition of grant income and the allocation of expenditure to funds;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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

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

### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Ian Whitfield BA FCA (Senior Statutory Auditor)  
for and on behalf of Azets Audit Services

20 December 2023

Statutory Auditor

Wynyard Park House  
Wynyard Avenue  
Wynyard  
United Kingdom  
TS22 5TB

# **SKELTON PRIMARY SCHOOL**

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SKELTON PRIMARY SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY**

***FOR THE YEAR ENDED 31 AUGUST 2023***

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In accordance with the terms of our engagement letter dated 22 August 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 Skelton Primary School during the period 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 Skelton Primary School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Skelton Primary School 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 Skelton Primary School and ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of Skelton Primary School's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Skelton Primary School's funding agreement with the Secretary of State for Education dated 1 November 2013 and the Academies Financial Handbook, extant from 1 September 2015, 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 period 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.

### **Approach**

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

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

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

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

# SKELTON PRIMARY SCHOOL

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SKELTON PRIMARY SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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The work undertaken to draw to our conclusion includes:

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

### Conclusion

In the course of our work, except for the matters listed below, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 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**

Azets Audit Services

Dated: 20 December 2023

# SKELTON PRIMARY SCHOOL

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds £	Restricted funds: General £	Fixed asset £	Total 2023 £	Total 2022 £
<b>Income and endowments from:</b>						
Donations and capital grants	3	15,263	-	29,410	44,673	25,342
Charitable activities:						
- Funding for educational operations	4	42,515	2,670,280	-	2,712,795	2,529,754
Other trading activities	5	44,995	-	-	44,995	63,647
Investments	6	57	-	-	57	52
<b>Total</b>		<b>102,830</b>	<b>2,670,280</b>	<b>29,410</b>	<b>2,802,520</b>	<b>2,618,795</b>
<b>Expenditure on:</b>						
Raising funds	7	80,857	-	-	80,857	55,919
Charitable activities:						
- Educational operations	8	-	2,697,096	109,144	2,806,240	2,880,562
<b>Total</b>	<b>7</b>	<b>80,857</b>	<b>2,697,096</b>	<b>109,144</b>	<b>2,887,097</b>	<b>2,936,481</b>
<b>Net income/(expenditure)</b>		<b>21,973</b>	<b>(26,816)</b>	<b>(79,734)</b>	<b>(84,577)</b>	<b>(317,686)</b>
Transfers between funds	16	(1,855)	162	1,693	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial gains on defined benefit pension schemes	18	-	630,000	-	630,000	2,036,000
Asset not recognised	18	-	(472,000)	-	(472,000)	-
<b>Net movement in funds</b>		<b>20,118</b>	<b>131,346</b>	<b>(78,041)</b>	<b>73,423</b>	<b>1,718,314</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		377,627	(98,260)	2,458,912	2,738,279	1,019,965
Total funds carried forward		397,745	33,086	2,380,871	2,811,702	2,738,279

# SKELTON PRIMARY SCHOOL

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

FOR THE YEAR ENDED 31 AUGUST 2023

Comparative year information Year ended 31 August 2022	Notes	Unrestricted funds £	Restricted funds: General £	Fixed asset £	Total 2022 £
<b>Income and endowments from:</b>					
Donations and capital grants	3	3,037	-	22,305	25,342
Charitable activities:					
- Funding for educational operations	4	37,223	2,492,531	-	2,529,754
Other trading activities	5	63,647	-	-	63,647
Investments	6	52	-	-	52
<b>Total</b>		<b>103,959</b>	<b>2,492,531</b>	<b>22,305</b>	<b>2,618,795</b>
<b>Expenditure on:</b>					
Raising funds	7	55,919	-	-	55,919
Charitable activities:					
- Educational operations	8	61,561	2,699,034	119,967	2,880,562
<b>Total</b>	<b>7</b>	<b>117,480</b>	<b>2,699,034</b>	<b>119,967</b>	<b>2,936,481</b>
<b>Net expenditure</b>		<b>(13,521)</b>	<b>(206,503)</b>	<b>(97,662)</b>	<b>(317,686)</b>
Transfers between funds	16	-	368	(368)	-
<b>Other recognised gains/(losses)</b>					
Actuarial gains on defined benefit pension schemes	18	-	2,036,000	-	2,036,000
<b>Net movement in funds</b>		<b>(13,521)</b>	<b>1,829,865</b>	<b>(98,030)</b>	<b>1,718,314</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		391,148	(1,928,125)	2,556,942	1,019,965
Total funds carried forward		377,627	(98,260)	2,458,912	2,738,279



# SKELTON PRIMARY SCHOOL

## BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
<b>Fixed assets</b>					
Tangible assets	12		2,380,320		2,458,911
<b>Current assets</b>					
Debtors	13	101,897		105,569	
Cash at bank and in hand		551,717		469,254	
		653,614		574,823	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	14	(222,232)		(185,455)	
<b>Net current assets</b>			431,382		389,368
<b>Net assets excluding pension liability</b>			2,811,702		2,848,279
Defined benefit pension scheme liability	18		-		(110,000)
<b>Total net assets</b>			2,811,702		2,738,279
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>	16				
- Fixed asset funds			2,380,871		2,458,912
- Restricted income funds			33,086		11,740
- Pension reserve			-		(110,000)
<b>Total restricted funds</b>			2,413,957		2,360,652
<b>Unrestricted income funds</b>	16		397,745		377,627
<b>Total funds</b>			2,811,702		2,738,279

The accounts on pages 29 to 51 were approved by the trustees and authorised for issue on 18/12/23 and are signed on their behalf by:



L Allan  
Chair

Company registration number 08693259 (England and Wales)

# SKELTON PRIMARY SCHOOL

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>					
Net cash provided by/(used in) operating activities	19		83,549		(16,065)
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		57		52	
Capital grants from DfE Group		29,410		9,551	
Purchase of tangible fixed assets		(31,103)		(9,182)	
Proceeds from sale of tangible fixed assets		550		-	
<b>Net cash (used in)/provided by investing activities</b>			<b>(1,086)</b>		<b>421</b>
<b>Net increase/(decrease) in cash and cash equivalents in the reporting period</b>			<b>82,463</b>		<b>(15,644)</b>
Cash and cash equivalents at beginning of the year			469,254		484,898
<b>Cash and cash equivalents at end of the year</b>			<b>551,717</b>		<b>469,254</b>

# SKELTON PRIMARY SCHOOL

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

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### 1 Accounting policies

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

#### 1.1 Basis of preparation

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

#### 1.2 Going concern

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

#### 1.3 Income

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

##### Grants

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

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

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

##### Sponsorship income

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

##### Donations

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

##### Other income

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

# SKELTON PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

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### 1 Accounting policies

(Continued)

#### Donated goods, facilities and services

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

#### Donated fixed assets

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

### 1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

#### Expenditure on raising funds

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

#### Charitable activities

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

### 1.5 Tangible fixed assets and depreciation

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

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

# SKELTON PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 1 Accounting policies

(Continued)

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

Land	125 years straight line
Leasehold buildings	50 years straight line
Leasehold improvements	50 years straight line
Computer equipment	3 years straight line
Fixtures, fittings & equipment	5 years straight line

The trust's land and buildings are occupied on a 125 year lease from the local authority. In the view of the trustees, the risks and rewards of occupying the site have been substantially transferred to the trust and therefore the land and buildings have been recognised as a donation on conversion and capitalised within the restricted fixed assets fund. The basis of valuation has been disclosed within the fixed assets note.

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

#### 1.6 Liabilities

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

#### 1.7 Leased assets

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

#### 1.8 Financial instruments

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

##### Financial assets

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

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

##### Financial liabilities

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

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

#### 1.9 Taxation

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

# SKELTON PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

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### 1 Accounting policies

(Continued)

#### 1.10 Pensions benefits

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

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

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

#### 1.11 Fund accounting

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

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

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

### 2 Critical accounting estimates and areas of judgement

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

#### Critical accounting estimates and assumptions

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

# SKELTON PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 2 Critical accounting estimates and areas of judgement

(Continued)

#### Local Government Pension Scheme

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 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. The UK corporate bond yields at 31 August 2023 are at their highest levels for many years resulting in higher accounting discount rates at the year end. This places a significantly lower value on the pension obligations compared to last year and will be one of the main reasons a net asset has been reported. We have ensured that our assumptions are appropriate for the Academy Trust and the valuation has been based on the following estimates:

- There is a minimum funding requirement in relation to LGPS
- There is the ability to recover a surplus through the ability to reduce future contributions (not refund)
- In calculating the surplus, the present value of current and past service costs is offset against the future contributions over the future period
- The present values in the above calculations are calculated using an annuity representing participation into perpetuity.

There is no known intention to exit the LGPS and therefore the economic benefit of a refund would be highly unlikely and on that basis recognition of an asset is considered inappropriate. We have however considered the economic benefit available to the Academy Trust as a future contribution reduction and whether it is appropriate to recognise the net asset in full. Under FRS 102, a net asset restriction may apply as the prevailing view is that a minimum funding requirement for future service exists in the LGPS. We requested our actuaries consider the impact of the minimum funding requirement on the asset ceiling and as a result we have restricted the asset to £nil based upon an asset restriction calculation. We consider this to be appropriate and a more accurate reflection of the pension positions as at 31 August 2023.

#### Land and buildings

The trust's land and buildings are occupied on a 125 year lease from the local authority. In the view of the trustees, the risks and rewards of occupying the site have been substantially transferred to the trust and therefore the land and buildings have been recognised as a donation on conversion and capitalised within the restricted fixed assets fund. The land and buildings are valued on the basis of valuations provided by the ESFA/local authority

#### Depreciation

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

### 3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Donated fixed assets	-	-	-	12,754
Capital grants	-	29,410	29,410	9,551
Other donations	15,263	-	15,263	3,037
	<u>15,263</u>	<u>29,410</u>	<u>44,673</u>	<u>25,342</u>

# SKELTON PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 4 Funding for the academy trust's educational operations

<b>Educational operations</b>	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total 2023 £</b>	<b>Total 2022 £</b>
<b>DfE/ESFA grants</b>				
General annual grant (GAG)	-	2,034,360	2,034,360	1,948,704
Other DfE/ESFA grants:				
- UIFSM	-	57,238	57,238	58,294
- Pupil premium	-	203,288	203,288	194,715
- PE and sports premium	-	19,800	19,800	20,040
- Rates	-	8,641	8,641	9,370
- Teachers pension grant	-	6,344	6,344	9,671
- Teachers pay grant	-	964	964	3,423
- Others	-	84,884	84,884	48,017
	-	2,415,519	2,415,519	2,292,234
<b>Other government grants</b>				
Local authority grants	-	234,026	234,026	179,562
<b>COVID-19 additional funding</b>				
<b>DfE/ESFA</b>				
Other DfE/ESFA COVID-19 funding	-	20,735	20,735	20,155
<b>Non-DfE/ESFA</b>				
Other COVID-19 funding	-	-	-	580
	-	20,735	20,735	20,735
<b>Other incoming resources</b>	15,386	-	15,386	7,794
<b>Total funding for educational operations</b>	15,386	2,670,280	2,685,666	2,500,325
<b>Catering income</b>	27,129	-	27,129	29,429
<b>Total funding</b>	42,515	2,670,280	2,712,795	2,529,754



# SKELTON PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Catering income	392	-	392	537
Educational visits	14,407	-	14,407	1,341
Other income	30,196	-	30,196	61,769
	<u>44,995</u>	<u>-</u>	<u>44,995</u>	<u>63,647</u>

### 6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Short term deposits	57	-	57	52
	<u>57</u>	<u>-</u>	<u>57</u>	<u>52</u>

### 7 Expenditure

	Staff costs £	Non-pay expenditure		Total 2023 £	Total 2022 £
		Premises £	Other £		
Expenditure on raising funds					
- Direct costs	19,222	-	61,635	80,857	55,919
Academy's educational operations					
- Direct costs	2,044,643	-	86,691	2,131,334	2,034,940
- Allocated support costs	253,547	248,259	173,100	674,906	845,622
	<u>2,317,412</u>	<u>248,259</u>	<u>321,426</u>	<u>2,887,097</u>	<u>2,936,481</u>

### Net income/(expenditure) for the year includes:

	2023 £	2022 £
Depreciation of tangible fixed assets	109,333	119,967
Gain on disposal of fixed assets	(189)	-
Fees payable to auditor for:		
- Audit	8,950	7,450
- Other services	3,550	6,070
Net interest on defined benefit pension liability	6,000	34,000
	<u>127,854</u>	<u>167,487</u>

# SKELTON PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 8 Charitable activities

	2023	2022
	£	£
All from restricted funds:		
<b>Direct costs</b>		
Educational operations	2,131,334	2,034,940
<b>Support costs</b>		
Educational operations	674,906	845,622
	<u>2,806,240</u>	<u>2,880,562</u>
	2023	2022
	£	£
<b>Analysis of support costs</b>		
Support staff costs	253,547	379,699
Depreciation	109,144	119,967
Technology costs	6,661	4,426
Premises costs	139,115	133,082
Other support costs	147,925	190,274
Governance costs	18,514	18,174
	<u>674,906</u>	<u>845,622</u>

### 9 Staff

#### Staff costs

Staff costs during the year were:

	2023	2022
	£	£
Wages and salaries	1,645,935	1,676,938
Social security costs	158,025	161,452
Pension costs	395,660	537,860
Staff costs - employees	<u>2,199,620</u>	<u>2,376,250</u>
Agency staff costs	117,792	25,449
Staff restructuring costs	-	1,609
Total staff expenditure	<u>2,317,412</u>	<u>2,403,308</u>
Staff restructuring costs comprise:		
Severance payments	-	1,609

# SKELTON PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 9 Staff

(Continued)

#### Staff numbers

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

	2023 Number	2022 Number
Teachers and teaching assistants	37	57
Administration and support	19	5
Management	6	6
	<u>62</u>	<u>68</u>

#### Higher paid staff

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

	2023 Number	2022 Number
£60,001 - £70,000	2	1
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-
	<u>3</u>	<u>2</u>

#### Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £493,316 (2022: £471,817).

### 10 Trustees' remuneration and expenses

One or more of the trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their services as trustees.

The value of trustees' remuneration and other benefits was as follows:

#### S Walker (Headteacher)

Remuneration	£80,001 - £85,000 (2022: £75,001 - £80,000)
Employer's pension contributions	£15,001 - £20,000 (2022: £15,001 - £20,000)

#### T Hill (Teacher)

Remuneration	£30,001 - £35,000 (2022: £30,001 - £35,000)
Employer's pension contributions	£5,001 - £10,000 (2022: £5,001 - £10,000)

#### A Woolf (Assistant Headteacher) (Appointed 26/09/2022)

Remuneration	£50,001 - £55,000
Employer's pension contributions	£10,001 - £15,000

Other related party transactions involving the trustees are set out within the related parties note.

# SKELTON PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 11 Trustees' and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2022 was £1,000 (2021: £1,000).

### 12 Tangible fixed assets

	Land	Leasehold	Computer	Fixtures, fittings & equipment	Total
	£	improvements	equipment		£
		£	£	£	
<b>Cost</b>					
At 1 September 2022	2,800,000	69,224	167,886	395,895	3,433,005
Additions	-	-	29,248	1,855	31,103
Disposals	-	-	-	(2,405)	(2,405)
At 31 August 2023	2,800,000	69,224	197,134	395,345	3,461,703
<b>Depreciation</b>					
At 1 September 2022	475,623	9,491	114,101	374,879	974,094
On disposals	-	-	-	(2,044)	(2,044)
Charge for the year	53,638	1,450	42,501	11,744	109,333
At 31 August 2023	529,261	10,941	156,602	384,579	1,081,383
<b>Net book value</b>					
At 31 August 2023	2,270,739	58,283	40,532	10,766	2,380,320
At 31 August 2022	2,324,377	59,733	53,785	21,016	2,458,911

Land and buildings were valued on the basis of depreciated replacement cost as at 31 March 2014 by Mouchel on behalf of the ESFA. This value was capitalised at the date of conversion.

### 13 Debtors

	2023	2022
	£	£
Trade debtors	6,951	20,206
VAT recoverable	9,711	7,081
Prepayments and accrued income	85,235	78,282
	101,897	105,569

# SKELTON PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 14 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	39,567	39,617
Other taxation and social security	38,043	37,800
Other creditors	40,809	40,321
Accruals and deferred income	103,813	67,717
	<u>222,232</u>	<u>185,455</u>

### 15 Deferred income

	2023 £	2022 £
Deferred income is included within:		
Creditors due within one year	<u>61,375</u>	<u>40,542</u>
Deferred income at 1 September 2022	40,542	40,867
Released from previous years	(40,542)	(40,867)
Resources deferred in the year	<u>61,375</u>	<u>40,542</u>
Deferred income at 31 August 2023	<u>61,375</u>	<u>40,542</u>

Deferred income includes free school meals and rates relief funding for the 2023/24 academic year, received in advance.

# SKELTON PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 16 Funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2023 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	11,740	2,034,360	(2,013,176)	162	33,086
UIFSM	-	57,238	(57,238)	-	-
Pupil premium	-	203,288	(203,288)	-	-
Other DfE/ESFA COVID-19 funding	-	20,735	(20,735)	-	-
Other DfE/ESFA grants	-	21,036	(21,036)	-	-
Other government grants	-	234,026	(234,026)	-	-
PE and sports premium	-	19,800	(19,800)	-	-
Teachers pension	-	6,860	(6,860)	-	-
Teachers pay grant	-	2,426	(2,426)	-	-
Rates	-	8,641	(8,641)	-	-
Supplementary grant	-	61,870	(61,870)	-	-
Pension reserve	(110,000)	-	(48,000)	158,000	-
	<u>(98,260)</u>	<u>2,670,280</u>	<u>(2,697,096)</u>	<u>158,162</u>	<u>33,086</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	2,324,379	-	(53,636)	-	2,270,743
DfE group capital grants	358	29,410	(4,679)	(7,502)	17,587
Capital expenditure from GAG	113,891	-	(37,431)	9,195	85,655
Private sector capital sponsorship	20,284	-	(13,398)	-	6,886
	<u>2,458,912</u>	<u>29,410</u>	<u>(109,144)</u>	<u>1,693</u>	<u>2,380,871</u>
<b>Total restricted funds</b>	<u>2,360,652</u>	<u>2,699,690</u>	<u>(2,806,240)</u>	<u>159,855</u>	<u>2,413,957</u>
<b>Unrestricted funds</b>					
General funds	<u>377,627</u>	<u>102,830</u>	<u>(80,857)</u>	<u>(1,855)</u>	<u>397,745</u>
<b>Total funds</b>	<u>2,738,279</u>	<u>2,802,520</u>	<u>(2,887,097)</u>	<u>158,000</u>	<u>2,811,702</u>

# SKELTON PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

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### 16 Funds

(Continued)

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

General Annual Grant must be used for the normal running costs of the academy. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2023.

Other DfE/ESFA grants includes Mainstream additional schools grant, Early years backfill and National tutor grant income.

Other government grants include funding for pupils with special educational needs and early years funding and other grants from the local authority.

The pension reserve reflects the LGPS transactions. The costs and income associated with the defined benefit pension scheme have been recorded in the restricted fund. Staff costs are paid from this fund, including contributions to the LGPS, and the pension liability has therefore been aligned with these funds.

DfE/ESFA capital grants represent Devolved Formula Capital receivable during the period which has been spent on non-capitalised maintenance expenditure.

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

Capital expenditure has been funded by GAG. Transfers between the funds to reflect these transactions are shown in the gains, losses and transfers column.

Unrestricted funds can be used for any purpose, at the discretion of the trustees, within the objectives of the academy trust.

The academy's restricted general and unrestricted funds were £430,831 at 31 August 2023.

# SKELTON PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 16 Funds

(Continued)

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	1,948,704	(1,937,332)	368	11,740
UIFSM	-	58,294	(58,294)	-	-
Pupil premium	-	194,715	(194,715)	-	-
Other DfE/ESFA COVID-19 funding	-	20,155	(20,155)	-	-
Other Coronavirus funding	-	580	(580)	-	-
Other DfE/ESFA grants	-	1,988	(1,988)	-	-
Other government grants	-	179,562	(179,562)	-	-
PE and sports premium	3,875	20,040	(23,915)	-	-
Teachers pension	-	9,671	(9,671)	-	-
Teachers pay grant	-	3,423	(3,423)	-	-
Rates	-	9,370	(9,370)	-	-
National tutor grant	-	20,250	(20,250)	-	-
Supplementary grant	-	25,779	(25,779)	-	-
Pension reserve	(1,932,000)	-	(214,000)	2,036,000	(110,000)
	<u>(1,928,125)</u>	<u>2,492,531</u>	<u>(2,699,034)</u>	<u>2,036,368</u>	<u>(98,260)</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	2,378,015	-	(53,636)	-	2,324,379
DfE group capital grants	838	9,551	(480)	(9,551)	358
Capital expenditure from GAG	158,635	-	(53,927)	9,183	113,891
Private sector capital sponsorship	19,454	12,754	(11,924)	-	20,284
	<u>2,556,942</u>	<u>22,305</u>	<u>(119,967)</u>	<u>(368)</u>	<u>2,458,912</u>
<b>Total restricted funds</b>	<u>628,817</u>	<u>2,514,836</u>	<u>(2,819,001)</u>	<u>2,036,000</u>	<u>2,360,652</u>
<b>Unrestricted funds</b>					
General funds	<u>391,148</u>	<u>103,959</u>	<u>(117,480)</u>	<u>-</u>	<u>377,627</u>
<b>Total funds</b>	<u>1,019,965</u>	<u>2,618,795</u>	<u>(2,936,481)</u>	<u>2,036,000</u>	<u>2,738,279</u>



# SKELTON PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 17 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
<b>Fund balances at 31 August 2023 are represented by:</b>				
Tangible fixed assets	-	-	2,380,320	2,380,320
Current assets	397,745	255,319	550	653,614
Current liabilities	-	(222,232)	-	(222,232)
<b>Total net assets</b>	<b>397,745</b>	<b>33,087</b>	<b>2,380,870</b>	<b>2,811,702</b>
	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
<b>Fund balances at 31 August 2022 are represented by:</b>				
Tangible fixed assets	-	-	2,458,911	2,458,911
Current assets	377,627	197,196	-	574,823
Current liabilities	-	(185,455)	-	(185,455)
Pension scheme liability	-	(110,000)	-	(110,000)
<b>Total net assets</b>	<b>377,627</b>	<b>(98,259)</b>	<b>2,458,911</b>	<b>2,738,279</b>

### 18 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 31 March 2019.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

#### Teachers' Pension Scheme

##### Introduction

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

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

# SKELTON PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 18 Pension and similar obligations

(Continued)

#### Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The 31 March 2016 TPS actuarial valuation results were implemented from 1 September 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% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The latest actuarial TPS valuation results, as at 31 March 2020, were released in October 2023. The revised employer contribution rate, arising from this valuation, is due to be implemented from 1 April 2024.

The employer's pension costs paid to the TPS in the period amounted to £263,574 (2022: £269,253).

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

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

#### Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are % for employers and % for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

Total contributions made	2023 £	2022 £
Employer's contributions	90,000	89,000
Employees' contributions	31,000	31,000
Total contributions	<u>121,000</u>	<u>120,000</u>

# SKELTON PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 18 Pension and similar obligations

(Continued)

Principal actuarial assumptions	2023 %	2022 %
Rate of increase in salaries	3.95	4.05
Rate of increase for pensions in payment/inflation	2.95	3.05
Discount rate for scheme liabilities	5.20	4.25
Inflation assumption (CPI)	3.95	4.05

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

	2023 Years	2022 Years
Retiring today		
- Males	20.5	21.7
- Females	23.5	23.5
Retiring in 20 years		
- Males	21.3	22.9
- Females	25.0	25.3

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

The academy trust's share of the assets in the scheme	2023 Fair value £	2022 Fair value £
Equities	2,132,330	1,735,360
Asset not recognised	(472,000)	-
Cash	116,840	357,280
Property	671,830	459,360
Total market value of assets	2,449,000	2,552,000

The actual return on scheme assets was £271,000 (2022: £145,000).

Amount recognised in the statement of financial activities	2023 £	2022 £
Current service cost	132,000	269,000
Interest income	(110,000)	(40,000)
Interest cost	116,000	74,000
Total operating charge	138,000	303,000

# SKELTON PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 18 Pension and similar obligations

(Continued)

Changes in the present value of defined benefit obligations	2023 £	2022 £
At 1 September 2022	2,662,000	4,252,000
Current service cost	132,000	269,000
Interest cost	116,000	74,000
Employee contributions	31,000	31,000
Actuarial gain	(469,000)	(1,931,000)
Benefits paid	(23,000)	(33,000)
At 31 August 2023	2,449,000	2,662,000

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

	2023 £	2022 £
At 1 September 2022	2,552,000	2,320,000
Interest income	110,000	40,000
Actuarial gain	161,000	105,000
Employer contributions	90,000	89,000
Employee contributions	31,000	31,000
Benefits paid	(23,000)	(33,000)
Effect of non-routine settlements and administration expenses	(472,000)	-
At 31 August 2023	2,449,000	2,552,000

### 19 Reconciliation of net expenditure to net cash flow from operating activities

	Notes	2023 £	2022 £
Net expenditure for the reporting period (as per the statement of financial activities)		(84,577)	(317,686)
Adjusted for:			
Capital grants from DfE and other capital income		(29,410)	(22,305)
Investment income receivable	6	(57)	(52)
Defined benefit pension costs less contributions payable	18	42,000	180,000
Defined benefit pension scheme finance cost	18	6,000	34,000
Depreciation of tangible fixed assets		109,333	119,967
Profit on disposal of fixed assets		(189)	-
Decrease/(increase) in debtors		3,672	(34,731)
Increase in creditors		36,777	24,742
Net cash provided by/(used in) operating activities		83,549	(16,065)

# SKELTON PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 20 Analysis of changes in net funds

	1 September 2022 £	Cash flows £	31 August 2023 £
Cash	469,254	82,463	551,717

### 21 Long-term commitments

#### Operating leases

At 31 August 2023 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2023 £	2022 £
Amounts due within one year	-	108

### 22 Related party transactions

Owing to the nature of the academy trust's operations 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 academy trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures.

### 23 Members' liability

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