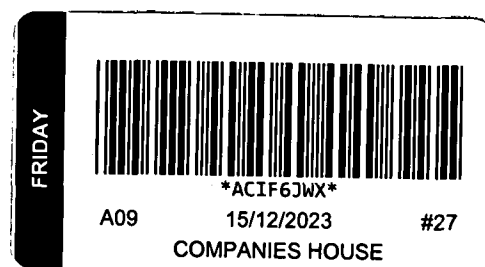


Settlebeck School Academy Trust
(A Company Limited by Guarantee)

Annual Report and Financial Statements

Year ended 31 August 2023

Company Registration Number: 07693715 (England & Wales)



SETTLEBECK SCHOOL ACADEMY TRUST

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SETTLEBECK SCHOOL ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

YEAR ENDED 31 AUGUST 2023

Registered Charity Name	Settlebeck School Academy Trust
Company Registration Number	07693715 (England & Wales)
Principal and Registered Office	Long Lane Sedbergh Cumbria LA10 5AL

	Appointment Date	Resignation Date
Members		
Myles Ripley		
Michael Atkinson		
David Hunt		
Peter Irvine		
Trustees / Directors		
* Peter Irvine		
* Sarah Campbell		
* Elizabeth Morgan		30/11/2022
* Sheila Capstick		06/01/2023
* Darren Mitchell-Whiteside		19/10/2022
* Elliot John Patrick Hartley		
Sarah Ruth Anderson	26/09/2022	
Maria Virginie Duckham	26/09/2022	05/09/2023
Jacqueline Frances Slevin	26/09/2022	
* Anthony Roberts	12/12/2022	
Michelle Titterington	17/02/2023	27/04/2023
Nadia Soliman	20/03/2023	
* Richard Scott	20/03/2023	
* Sophie Anne Stevenson	28/09/2023	
* Members of the Finance, Buildings & Resource Committee		

SETTLEBECK SCHOOL ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

YEAR ENDED 31 AUGUST 2023

Company Secretary

Karen Little

31/12/2021

Senior Leadership Team:

Headteacher

Sarah Campbell

Deputy Headteacher

Sarah Jayne Hunter

01/09/2022

Assistant Headteacher

Sally Ingham

Independent Auditor

Saint & Co Chartered Accountants

The Old Police Station

Church Street

Ambleside

Cumbria

LA22 0BT

Bankers

Lloyds Bank plc

11 Finkle Street

Kendal

Cumbria

LA9 4AG

Solicitors

Burnetts

6 Victoria Place

Carlisle

Cumbria

CA1 1ES

SETTLEBECK SCHOOL ACADEMY TRUST

TRUSTEES' REPORT

YEAR ENDED 31 AUGUST 2023

The trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2023. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

Settlebeck school is a mixed, converter academy school for pupils aged 11 to 16, serving a catchment area in Sedbergh and the surrounding area. It has a pupil capacity of 220 and had a roll of 212 in the school census on 05 October 2023.

Structure, Governance and Management

Constitution

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

Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members' Liability

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

Trustee's Indemnities

The academy trust has purchased indemnity insurance to protect trustees and officers from claims arising in connection with academy business.

Method of Recruitment and Appointment or Election of Trustees

The trustees are appointed under the terms of the academy trust's articles of association as follows:

- The members may appoint up to 6 trustees
- A minimum of 2 Parent Trustees elected or appointed under Articles 53-56 in the event that no Local Governing Bodies are established under Article 100a or if no provision is made for at least 2 Parent Local Governors on each established Local Governing Body pursuant to Article 101A.
- Up to 1 LA trustee
- The total number of Trustees including the Accounting Officer if they so choose to act as Trustee under Article 57 who are employees of the Academy Trust shall not exceed one third of the total number of Trustees.
- Providing that the Accounting Officer agrees so to act, the Members may by ordinary resolution appoint the Accounting Officer as a Trustee.
- Any trustee elected by the Secretary of State for Education.
- The Trustees may appoint up to 3 Co-opted Trustees.

New trustees are recruited on the basis of the skills and competencies required to address gaps highlighted in regular skills audits of the existing board of trustees.

The term of office for all trustees, except the Accounting Officer, is four years. The Accounting Officer's term of office runs parallel with their contract of employment. The trustees who were in office at 31st August 2023 who served throughout the period, except where shown, are listed on page 1.

SETTLEBECK SCHOOL ACADEMY TRUST

TRUSTEES' REPORT

YEAR ENDED 31 AUGUST 2023

Policies and Procedures Adopted for the Induction and Training of Trustees.

The training and induction provided for new Trustees is specifically tailored to the needs of the individual and their existing experience. Settlebeck School Academy Trust recognises that new trustees do not necessarily have a background in education and/or a thorough understanding of the school. To ensure they receive the necessary support to undertake their duties, the induction process is tailored to their individual needs and includes:

- A preliminary informal meeting with the Chair of Governors to ensure they understand their general responsibilities and time commitment;
- An induction meeting with the Chair of Governors which includes a tour of the school;
- Regular training on developments in Governance issues including access to the National Governance Association;
- Annual training related to each of the trustee's specific needs.

Organisational Structure

The trustees are responsible for the general control and management of the administration of the trust in accordance with the provisions set out in the Memorandum and Articles of Association. The trustees are accountable for the performance of Settlebeck School Academy Trust and as such must;

- Ensure clarity of vision, ethos and strategic direction.
- Hold the Academy Headteacher to account for the educational performance of its pupils, and the performance management of staff.
- Oversee the financial performance of the academy and ensure that monies are well spent and within agreed spending levels.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Trust board holds responsibility for setting the pay and remuneration of the academy's key management personnel in accordance with the Pay Policy for Teachers based on the format of the DFE's model policy and the NJC terms and conditions for support staff. Pay progression is based on an annual cycle running from the 1st September to 31st August and is determined by the achievement of pre-determined performance objectives. Responsibility for the appraisal process has been delegated to the Headteacher's Pay Review Committee, supported by an officer from South Lakes Federation, and the Pay and Personnel Committee (both sub committees of the Trust Board).

SETTLEBECK SCHOOL ACADEMY TRUST

TRUSTEES' REPORT

YEAR ENDED 31 AUGUST 2023

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
1	1.8

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Total cost of facility time	£1,320
Total pay bill	£1,464,691
% of total pay bill spent on facility time	0.090%

Paid trade union activities

There was no paid union activity during the period

Related Parties and other Connected Charities and Organisations

Settlebeck School supports the rationale that there is strength in partnerships and continues to be a member of the South Lakes Federation to further support its school improvement journey. The collaborative federation is made up of nine secondary schools, Kendal College and the University of Cumbria providing teacher development, curriculum networks and enrichment opportunities.

Objectives and Activities

Objects and Aims

The main objects of the academy trust are:

- The academy trust's object is specifically restricted to the provision to advance, for the public benefit, education by establishing, maintaining, managing and developing the school and by promoting a broad and balanced curriculum.
- The academy trust's principle objective and activity of the academy trust is the education of students between the ages of 11 to 16.

Objectives, Strategies and Activities

Settlebeck School is a friendly, vibrant and ambitious school, where every member of its community is treated as an individual. We are committed to making the difference for all our young people. We aim to ensure all our students are equipped with the knowledge, skills and values to enable them to lead fulfilling adult lives, make a positive contribution to society and succeed in the career of choice.

Academic standards are our priority and we believe that exceptional results are a product of high-quality teaching and learning, outstanding pastoral care and valuing the individual. The 'family' feel of our small academy offers security and a supportive learning environment in which children thrive.

SETTLEBECK SCHOOL ACADEMY TRUST

TRUSTEES' REPORT

YEAR ENDED 31 AUGUST 2023

Objectives, Strategies and Activities (continued)

The main objectives for the academy during the year ending 31st August 2023 are summarised below:

- That all school business was conducted to the highest possible standard with integrity and transparency;
- To comply with all statutory legislation and curriculum requirements;
- To promote the school's values of respect, responsibility and aspiration;
- To ensure that every student achieves the best they possibly can;
- To be ambitious on behalf of all students and ensure a high-quality education is accessible for all;
- To continue to improve the school's effectiveness through a relentless focus on school improvement;
- To explore opportunities for the school to join a Multi-Academy Trust;
- Continue to seek ways of reducing the demand on the school budget by regularly analysing costs for potential savings and by implementing best value and value for money strategies;
- To be committed to collaboration with school within the partnership and across the wider network.

Public Benefit

In setting the objectives, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

Strategic Report

Achievements and Performance

Settlebeck School is in its twelfth year of operations, converting to academy status in 2011. Numbers on roll have increased to 208 pupils by the end of August 2023.

In summer 2023, students achieved a P8 score of +0.34. 76% of students achieved a standard pass in English and Maths. 48.49% of students achieved a good pass in English and Maths. Progress in Maths was + 0.20, and in English + 0.15.

97.8% of students progressed to the education, employment and training. One student is currently categorised as NEET.

Educational support grants have been used to fund student catch up sessions.

Refurbishment to the fire doors was funded through the Condition Improvement Fund 2022-23.

SETTLEBECK SCHOOL ACADEMY TRUST

TRUSTEES' REPORT

YEAR ENDED 31 AUGUST 2023

Key Financial Performance Indicators

Settlebeck School

Staffing costs as a % of total income (excluding capital income)

	2023	2022	2021	2020	2019
Teaching staff	56.0%	55.1%	57.8%	62.6%	60.4%
Support staff	11.2%	13.9%	13.2%	13.9%	14.2%
Total	67.2%	69.0%	71.0%	76.5%	74.6%

Teaching Staff

	2023	2022	2021	2020	2019
Pupils on roll	208	196	196	199	197
Full time equivalents teachers	15	15	15	15	16
Pupil teacher ratio	13.9	13.1	13.1	13.3	12.3

Going Concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future.

However, due to the intention to move into a Multi Academy Trust within less than a year of the financial statements being approved, the financial statements are therefore prepared on a basis other than going concern but the values have been calculated on a going concern basis since the academy trust's intention is for the school to remain a going concern but will operate under the Multi Academy Trust. Further details regarding not adopting the going concern basis can be found in the Statement of Accounting Policies.

Financial Review

Settlebeck School Academy Trust's financial statements are for the year ended 31 August 2023.

The Academy Trust ends the year in a very strong financial position based on net current assets of £828,960 (2022: £906,267).

The majority of the academy's income is obtained from the Educational and Skills Funding Agency (ESFA) in the form of grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2023 and the related expenditure are shown as restricted funds in the statement of financial activities.

Under Financial Reporting Standard 102, it is necessary to charge projected deficits on the Local Government Pension Scheme, which is provided to support staff, to a restricted fund. This results in reducing reserves shown in the total funds of the academy. It should be noted that this does not present the academy with any current liquidity problem. The employer contributions are currently being assessed and it is expected that they will increase to bring a reduction in this pension deficit in future, although this may not be achieved until stock market investment values start to recover.

During the period ended 31 August 2023, total general expenditure of £2,047,240 was covered by recurrent grant funding from the DfE together with other incoming resources. The general income was £126,921 more than expenditure for the year.

At 31 August 2023 the net book value of fixed assets was £1,246,520 and movements in tangible fixed assets are shown in the notes to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

SETTLEBECK SCHOOL ACADEMY TRUST

TRUSTEES' REPORT

YEAR ENDED 31 AUGUST 2023

Reserves Policy

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of the reserves. The trustees will keep the level of reserves under review.

The general unrestricted fund balance at the year end was £42,265 (2022: £41,698). The trustees believe that this level of reserves is required to support the running of the school during the demographic dip.

The GAG fund balance at the year end was £594,518 (2022: £536,272).

The Trust aspires to hold reserves in the region of one month of annual expenditure to ensure it is able to produce a three year balanced budget, support a staffing model commensurate with curriculum requirements and maintain the Trust as a going concern in the event of unforeseen events. Trustees acknowledge that although the reserves level held at 31st August 2023 exceeds their expectations, this provides the security required to continue to improve the learning environment and invest in high quality teaching and learning.

Funds in Deficit

The trustees note that certain restricted funds are in deficit which have been disclosed in the funds note supporting the financial statements.

Principal Funding Sources

The main sources of income for the year were: the ESFA and the local authority.

Investment Policy

The financial position is constantly reviewed by the Finance, Buildings and Resource Committee, and the Trust Board together with the Headteacher. The main source of funding is from the General Annual Grant (GAG) provided by the ESFA. The majority of the expenditure has been on supporting the pupils of Settlebeck School by providing high-quality teachers and equipment to support them in their studies. Settlebeck School reserves have been kept deliberately high secure the future of the academy and ensure that all pupils receive a high-quality education in our small setting. The school intends to invest the high level of unrestricted reserves in improving the learning environment and making changes its curriculum, and will seek to secure a higher level of interest on fund.

Principal Risks and Uncertainties

Financial risks and uncertainties are magnified by the size of our small Academy where a change in roll of only a few pupils can make a large change to the balance sheet especially if those pupils carry extra costs or grants. Government grants and policies often change at quite short notice, and this can affect budgeting considerably e.g. the GAG and pupil premium. Currently changes in the funding formula have been proposed but the outcome is not yet clear and may influence rural schools adversely. In general a falling population within the Academy's catchment also requires a significant input to marketing to maintain our school roll.

SETTLEBECK SCHOOL ACADEMY TRUST

TRUSTEES' REPORT

YEAR ENDED 31 AUGUST 2023

Trust Estate Management

The health and safety of students and staff is paramount and estate maintenance and improvement work is considered by trustees at termly meetings of the Finance, Buildings and Resources Committee. This includes oversight of compliance with statutory duties to ensure the health and safety of building occupants. During the year the trust upgraded fire doors across the estate using a condition improvement fund grant.

Financial and Risk Management Objectives and Policies

A budget for the period was agreed prior to the beginning of the accounting period. Management accounts were presented at each termly Finance, Buildings & Resources Committee meeting and income and expenditure monitored against budget. All the academy's financial policies, systems and controls are disclosed in the academy's Financial Regulations Manual.

Risk Management

The governors have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances. The governors have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more details in the statement on internal control.

Fundraising

The academy does not engage with professional fundraisers to undertake any fundraising activities on its behalf. The academy, from time to time, carries out minor level fund raising activities to raise funds for the academy whereby students seek voluntary donations from parents and the local community.

Plans for Future Periods

- Continue to develop a coherent, well sequenced, knowledge rich curriculum which aligns with our school values and is ambitious for all.
- Continue to develop quality first teaching through investment in professional development for staff, engaging with evidence-based research and collaboration to develop pedagogy.
- Develop a school wide reading strategy that ensures our students read for pleasure and learning, and that they acquire the skills to be fluent readers.
- Continue to ensure that those with SEND have equitable access to the curriculum, quality first teaching and appropriate qualifications.
- Ensure our students are well prepared for the wider world in which they live and have access to high quality careers education so that they can make informed choices.
- Continue to focus on improving attendance.
- Reduce the number of suspensions by intervening early.
- To pursue the opportunity to join a Multi-Academy Trust
- Continue to work collaboratively with other schools and the South Lakes Federation.

SETTLEBECK SCHOOL ACADEMY TRUST

TRUSTEES' REPORT

YEAR ENDED 31 AUGUST 2023

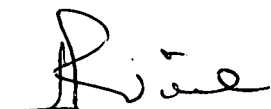
Auditor

In so far as the trustees are aware:

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

Saint & Co Chartered Accountants were formally reappointed at the Trust's AGM held on 11 December 2023.

The Trustees' report, incorporating a strategic report, was approved by order of the members of the board of trustees on 11 December 2023 and signed on its behalf by:



Peter Irvine
Chair of Academy Trustees

SETTLEBECK SCHOOL ACADEMY TRUST

GOVERNANCE STATEMENT

YEAR ENDED 31 AUGUST 2023

Scope of Responsibility

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

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

The board of trustees has delegated the day-to-day responsibility to the headteacher, 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 the Settlebeck School Academy Trust and the Secretary of State for Education.

The Accounting Officer is also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 4 times during the year 2022/23. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings Attended	Out of a Possible
Peter Irvine (Chair)	4	4
Sarah Anderson (Vice Chair)	4	4
Sheila Capstick	2	2
Sarah Campbell	4	4
Maria Duckham	3	4
Elliot Hartley	4	4
Darren Mitchell-Whiteside	1	1
Elizabeth Morgan	1	1
Tony Roberts	3	3
Richard Scott	2	2
Jacqueline Slevin	4	4
Nadia Soliman	2	2
Michelle Titterington	1	2

Governance Review

The key changes in the composition of the board of trustees

Resignations:

- Sheila Capstick on 06/01/2023
- Darren Mitchell-Whiteside on 15/10/2022
- Elizabeth Morgan on 30/11/2022
- Michelle Titterington on 27/04/2023

SETTLEBECK SCHOOL ACADEMY TRUST

GOVERNANCE STATEMENT

YEAR ENDED 31 AUGUST 2023

Governance Review (*continued*)

Appointments

- Sarah Anderson on 26/09/2022
- Maria Duckham on 26/09/2022
- Tony Roberts on 12/12/2022
- Richard Scott on 20/03/2023
- Jacqueline Slevin on 26/09/2023
- Nadia Soliman on 20/03/2023
- Michelle Titterington on 17/02/2023

Coverage of work

In accordance with Department for Education's requirements for all Trust Boards, the three strategic functions of the Settlebeck School Academy Trust board are:

- ensuring clarity of vision, ethos, and strategic direction
- holding the Academy Headteacher and school leadership to account for the educational performance of its pupils and the performance management of all members of staff
- overseeing the financial performance of the school and making sure its money is well spent and within the agreed spending levels and the academy business is always 'value for money'

The Board usually meets each term, but with an additional meeting at the beginning of the Autumn Term to deal with the formalities required each year (e.g., appointments to committees). The Board has established four committees. These are; Finance Buildings and Resources (including Audit and Risk), Curriculum and Progress, Health and Safety and Pay and Appraisal Committees. Each committee normally meets once a term and consists of trustees appointed by the Board. Each committee has delegated authority to deal with matters within its terms of reference, but the Board can review and comment on those decisions. The board meets on a regular basis to support the life and work of the school, taking information from the sub-committees who have clearly defined delegated powers, and reviewing the work undertaken by them on the board's behalf. As well as complying with their defined role, trustees have acted effectively both corporately and individually to monitor, challenge and support the school.

Boards performance/effectiveness and challenges

The Board has discharged its responsibilities, through board meetings and sub-committee meetings, to monitor and challenge the functions of the school and particularly its leadership. Resignations of trustees during the year have occurred, however, new trustees have taken up post and we are continually seeking additions with the skill sets necessary to continue the board development. The Board of Trustees ensure members of the board, fully question and challenge data and finances, seek clarification where necessary and look at issues with insight and perception.

Oversight of management accounts by the Trust Board and Finance, Building and Resources Committee, ensure that trustees offer the level of scrutiny necessary. The efforts and controls implemented throughout the year by our Chief Financial and Accounting Officers have proved to be successful, as evidenced in the positive financial outturn.

The Trust Board will continue to develop strategically and work towards the longer-term plan of the Academy, to closely monitor the Academy's financial status and work closely with the Accounting Officer and Chief Financial Officer.

The Trust Board also considered future funding forecasts and agreed the school budget for 2023/24 and will ensure that the financial strategy is integrated with the school's strategy for raising standards and attainment.

SETTLEBECK SCHOOL ACADEMY TRUST

GOVERNANCE STATEMENT

YEAR ENDED 31 AUGUST 2023

Governance Review (continued)

Quality of Data made available

Trustees receive detailed management accounts and can challenge and seek further clarification over spending at each board meeting and sub-committee meetings. Accounts are presented in an accessible format, allowing trustees the level of scrutiny required.

Conflicts of interest

The Academy Trust has a number of processes in place to manage conflicts of interest. These include:

- The work of the Pay Review Committee to consider decisions about executive pay and benefits
- Recording trustees declaration of interest in meeting agenda items
- Maintaining an up-to-date and complete register of interests, documented on the trust website and shared with finance staff to check before entering into contracts or procuring goods for the organisation
- Ensure goods or services provided by related parties are at no more than cost

Meetings

To ensure trustees and senior leaders maintain robust oversight of the academy trust, and take full responsibility for its financial affairs, stewardship of assets and use of resources efficiently to maximise outcomes for students, the Trust Board sets an annual calendar of meetings. During the 2022/23 financial year the Trust Board met a total of 4 times and the Finance, Buildings & Resources Committee met 3 times.

The Finance, Buildings & Resource Committee is a sub-committee of the Trust Board. Its purpose is to provide assurance over the suitability of, and competence with its financial and non-financial systems, operational controls, and personnel to ensure that risks are identified and managed. Through robust governance arrangements the Trust seeks to maximise outcomes for pupils through the effective use of resources. Attendance at meetings during the year was as follows:

Trustee	Meetings Attended	Out of a Possible
Peter Irvine (Chair)	3	3
Sheila Capstick	1	1
Sarah Campbell	3	3
Elliot Hartley	3	3
Elizabeth Morgan	1	1
Tony Roberts	2	2
Richard Scott	1	1
Michelle Titterington	1	1

Due to the size of the academy trust, the audit and risk management functions are included within the terms of reference for the Finance, Buildings & Resource Committee. The remit of the committee is to direct the trust's programme of internal scrutiny, ensure risks are being addressed appropriately, and to report to the board on the adequacy of the trust's internal control framework, including financial and non-financial controls and management of risk. To comply with the requirements in the Academy Trust Handbook, the work of the committee related to audit and risk is chaired separately to avoid conflict with the role of chair of the trust board, and employees are not able to participate as members when audit matters are discussed.

GOVERNANCE STATEMENT

GOVERNANCE STATEMENT

YEAR ENDED 31 AUGUST 2023

Governance Review *(continued)*

Review of Value for Money

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

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

- Regularly reviewing the staffing structure
- Collaboration with the South Lakes Federation and the Cumbrian Association of Secondary Headteachers
- Using a number of approved suppliers in order to obtain the best price
- Obtaining several quotations for utility contracts and comparing contract lengths in order to secure the best deals.

Settlebeck School Academy Trust has improved educational outcomes for its pupils in 2022-23 through its relentless drive to improve the quality of teaching and learning and through use targeted intervention. The academy continues to utilise grant funding for tuition to address gaps in learning. The Accounting Officer and Trust Board, use benchmarking tools and robust procurement procedures to ensure value for money. Furthermore, the academy is committed to ensuring that the estate is safe, well maintained and complies with regulations. In 2022-23 condition improvement grant funding was used to upgrade to FD30 certified fire doors and, on escape corridors all fanlight details above doors on escape corridors were upgraded to FD fire rated glazing to meet current legislation. In summary, work over recent years has focused on the external fabric of the building, health and safety compliance issues and Mechanical & Electrical Services. In the past few years, capital projects have included:- renewal of roof coverings, renewal of the heating system, replacement of fire alarm, electrical rewiring including upgrade of lighting to LED.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Settlebeck School Academy Trust for the period 01 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

The Trust identifies risks, with reference to its risk register, and modifies its checks accordingly. Where procedures or systems have changed, such as in the boarding provision, additional meetings have been convened to ensure a suitable level of scrutiny is applied.

Capacity to Handle Risk

The trustees have reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The trustees are of the view that there is a formal on-going process for identifying, evaluating, and managing the Academy Trust's significant risks that has been in place for the period 01 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Trustees.

SETTLEBECK SCHOOL ACADEMY TRUST

GOVERNANCE STATEMENT

YEAR ENDED 31 AUGUST 2023

The Risk and Control Framework

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- Regular reviews by the Finance, Buildings and Resource Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- Setting targets to measure financial and other performance indicators;
- Clearly defined purchasing (asset purchase or capital investment) guidelines;
- Delegation of authority and segregation of duties;
- Identification and management of risks.

Internal Scrutiny

The board of trustees are aware of the revised FRC Ethical Standard for auditors which states that a firm providing external audit to an entity shall not also provide internal audit services to it. They have therefore considered the need for a specific internal audit function and appointed an internal auditor to scrutinise and report on the systems of financial control for the year ended 31 August 2023.

In addition, internal scrutiny of risk management and non-financial controls was delivered via a peer review by the chief financial officer from another academy trust.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular the checks carried out in the current period included:

- testing of payroll systems;
- testing of purchases systems;
- testing of bank reconciliations

On a termly basis, the auditor reports to the board of trustees on the operation of the systems in place to control and on the discharge of the board of trustees' financial responsibilities.

The board of trustees confirm that the auditor has worked with the Trust to deliver their schedule of work.

The Finance, Building & Resources Committee, with delegated responsibility for audit and risk, oversee and approve the Academy's programme of internal scrutiny. The Committee scrutinized the adequacy of the Academy's internal control framework, which includes financial and non-financial controls and management of risks.

The Risk Management report and analysis is submitted to the board and the Finance, Buildings & Resource Committee at each of their termly meetings, coupled with this, reviews of systems in place for varying control measures are where necessary implemented, to satisfy the needs of the school operation and fiscal controls and to ensure that we can where it is practicable and manageable, mitigate the liability of the potential unforeseen circumstance that may occur in future months.

Throughout the year at both board and the Curriculum and Progress Committee meetings comprehensive reporting has been provided so that the necessary challenge and support can be made by trustees towards assisting the headteacher and senior leadership team and in providing the necessary resources to where required ensuring pupil learning experience is at a point that is expected. The wellbeing of staff and pupils across the whole school is also considered by the board to be of paramount importance.

School has throughout the year continued to provide additional educational resources to all pupils where necessary to assist them in the continued reconnection with their education development after the impact of Covid 19.

SETTLEBECK SCHOOL ACADEMY TRUST

GOVERNANCE STATEMENT

YEAR ENDED 31 AUGUST 2023

Review of Effectiveness

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

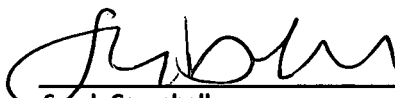
- The work of the peer reviewer and subsequent reports on risk management and non-financial controls
- The work of the internal auditor and subsequent reports on financial controls
- The work of the external auditor
- The financial management and governance self-assessment process
- The work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework

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

Approved by order of the members of the board of trustees on 11 December 2023 and signed on its behalf by:



Peter Irvine
Chair of Academy Trustees



Sarah Campbell
Accounting Officer

SETTLEBECK SCHOOL ACADEMY TRUST

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

YEAR ENDED 31 AUGUST 2023

As accounting officer of Settlebeck School Academy Trust I have considered my responsibility to notify the Trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

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

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

- **Cyber insurance cover**

During Autumn 2022 the academy was subject to a ransomware attack on its IT infrastructure. This led to a financial impact on the school from the additional bought-in services to resolve the problem of £60,202 on legal and IT support fees. The academy did not meet all the conditions of the RPA insurance relating to the cyber insurance, namely having an adequate cyber response plan in place, being registered with Police Cyber Alarm and ensuring that all employees and Governors had completed the NCSC Cyber Security training, therefore the academy was unable to recover this loss through insurance. The academy has since put a policy in place to meet all the cyber insurance criteria and is now compliant.

Signed: _____

Sarah Campbell
(Accounting Officer)

11/12/23 Date

SETTLEBECK SCHOOL ACADEMY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

YEAR ENDED 31 AUGUST 2023

The trustees (who act as governors of Settlebeck School Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

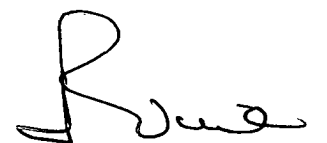
- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards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

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

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

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

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



Peter Irvine
Chair of Academy Trustees

11/12/23. Date

SETTLEBECK SCHOOL ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE SETTLEBECK SCHOOL ACADEMY TRUST

YEAR ENDED 31 AUGUST 2023

Opinion

We have audited the financial statements of Settlebeck School Academy Trust for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- 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 Companies Act 2006; and
- have been properly prepared in accordance with the Charities SORP 2019 and 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 financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements 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 – basis of preparation

We draw your attention to note 25 to the financial statements which explains that the trustees intend for the academy to move into a Multi Academy Trust within less than a year of the financial statements being approved therefore do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly, the financial statements have been prepared on a basis other than going concern as described in the accounting policies and note 25.

Other information

The other information comprises the information included in the annual report including the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. It includes the Reference and Administrative Details, the Report of the Directors and Strategic Report and the Governance Statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

SETTLEBECK SCHOOL ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE SETTLEBECK SCHOOL ACADEMY TRUST *(continued)*

YEAR ENDED 31 AUGUST 2023

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees have 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

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

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

SETTLEBECK SCHOOL ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE SETTLEBECK SCHOOL ACADEMY TRUST (continued)

YEAR ENDED 31 AUGUST 2023

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- To address the risk of fraud through management bias and override of controls, we:
 - performed analytical procedures to identify any unusual or unexpected relationships;
 - tested journal entries to identify unusual transactions;
 - assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
 - investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

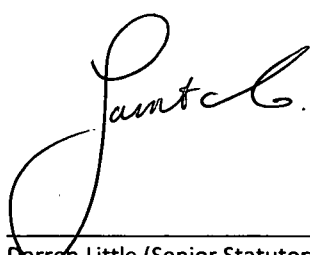
SETTLEBECK SCHOOL ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE SETTLEBECK SCHOOL ACADEMY TRUST (continued)

YEAR ENDED 31 AUGUST 2023

Use of our report

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



Darren Little (Senior Statutory Auditor)

For and on behalf of

Saint & Co
Chartered Accountants & Statutory Auditors
The Old Police Station
Church Street
Ambleside
Cumbria
LA22 0BT

11 December 2023 Date

SETTLEBECK SCHOOL ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE SETTLEBECK SCHOOL ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY YEAR ENDED 31 AUGUST 2023

In accordance with the terms of our engagement letter dated 21 June 2018 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 Settlebeck School Academy Trust during the period 01 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.

Respective Responsibilities of the Settlebeck School Academy Trust's Accounting Officer and the Reporting Accountant

The Accounting Officer is responsible, under the requirement of the Settlebeck School Academy Trust's funding agreement with the Secretary of State for Education dated 29 July 2011 and the Academies Financial Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2022 to 2023. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 01 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.

The work undertaken to draw to our conclusion includes:

- the school resource management self-assessment checklist (SRMSAT) was obtained and considered;
- responses to the top 10 'musts' for chairs and other trustees from the AFH was obtained and considered;
- having a general awareness of regularity and propriety whilst conducting the statutory audit function;
- reviewing if extra-contractual severance payments have been made in accordance with the Handbook;
- reviewing if borrowing agreements, including leases to ensure they have been made in accordance with the Handbook;
- reviewing the minutes of the meeting of the main committees during the year;
- reviewing expenditure to check that it was not ultra vires to the charitable objectives;
- obtaining trustee / governors declaration of interests;
- where present obtaining the accounting officer's file.

SETTLEBECK SCHOOL ACADEMY TRUST

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

YEAR ENDED 31 AUGUST 2023

Conclusion

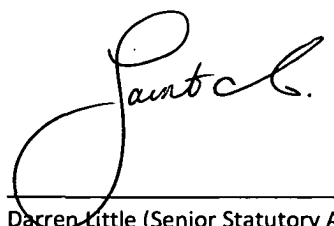
In the course of our work, except for the matters listed below nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 01 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Use of our report

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

Matter 1:

As referred to within the Accounting Officer's Statement on Regularity, Propriety and Compliance the academy did not meet all the conditions of the RPA insurance relating to the cyber insurance so they suffered a financial cost of £60,202 that should have been reimbursed by insurance when the academy was in Autumn 2022 the subject to a ransomware attack on its IT infrastructure.



Darren Little (Senior Statutory Auditor)

For and on behalf of

Saint & Co
Chartered Accountants & Statutory Auditors
The Old Police Station
Church Street
Ambleside
Cumbria
LA22 0BT

11 December 2023 Date

SETTLEBECK SCHOOL ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 AUGUST 2023

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Year Ended 31 Aug 23 £	Year Ended 31 Aug 22 £
Income and endowments from:						
Donations and capital grants	2	35,546	1,068	130,263	166,877	165,228
<i>Charitable activities :</i>						
- Funding for the academy trust's educational operations	3	57,508	2,028,293	-	2,085,801	1,961,928
Other trading activities	4	51,736	-	-	51,736	46,214
Investment income	5	10	-	-	10	96
Total		144,800	2,029,361	130,263	2,304,424	2,173,466
Expenditure on:						
Raising funds	7	51,736	-	-	51,736	45,704
<i>Charitable activities :</i>						
- Academy trust educational operations	8	81,038	1,914,466	392,529	2,388,033	2,043,621
Total	6	132,774	1,914,466	392,529	2,439,769	2,089,325
Net income / (expenditure) before transfers		12,026	114,895	(262,266)	(135,345)	84,141
Transfers between funds	10	24,087	(50,882)	26,795	-	-
Net Income/(expenditure) for the year		36,113	64,013	(235,471)	(135,345)	84,141
Other recognised gains / (losses)						
Actuarial (losses) gains on defined benefit pension scheme	16/20	-	246,000	-	246,000	966,000
Net movement in funds		36,113	310,013	(235,471)	110,655	1,050,141
Reconciliation of funds						
Total funds brought forward at 01 September 20		41,698	325,804	1,497,738	1,865,240	815,099
Total funds carried forward at 31 August 2023		77,811	635,817	1,262,267	1,975,895	1,865,240

All of the academy's activities derive from continuing operations during the above two financial periods.

A Statement of Total Recognised Gains and Losses is not required as all the gains and losses are included in the Statement of Financial Activities.

SETTLEBECK SCHOOL ACADEMY TRUST

BALANCE SHEET

31 AUGUST 2023

		2023		2022	
	Note	£	£	£	£
Fixed assets					
Tangible assets	11		1,246,520		1,317,937
Current assets					
Stock	12	715		715	
Debtors	13	108,648		179,188	
Cash at bank and in hand		<u>933,912</u>		<u>995,823</u>	
		1,043,275		1,175,726	
Liabilities					
Creditors: amount falling due within one year	14	<u>(214,315)</u>		<u>(269,459)</u>	
Net current assets			<u>828,960</u>		<u>906,267</u>
Total Assets less current liabilities			<u>2,075,480</u>		<u>2,224,204</u>
Creditors: amount falling due after more than one year	15		(58,585)		(68,964)
Net assets excluding pension liability			<u>2,016,895</u>		<u>2,155,240</u>
Defined benefit pension scheme asset / (liability)	20		<u>(41,000)</u>		<u>(290,000)</u>
Total Net Assets			<u>1,975,895</u>		<u>1,865,240</u>
Funds of the academy trust :					
Restricted funds					
Fixed asset funds	16	1,262,267		1,497,738	
General funds	16	676,817		615,804	
Pension reserve	16	<u>(41,000)</u>		<u>(290,000)</u>	
Total restricted funds	16		1,898,084		1,823,542
Unrestricted income funds					
General funds	16	<u>77,811</u>		<u>41,698</u>	
Total unrestricted funds			<u>77,811</u>		<u>41,698</u>
Total funds			<u>1,975,895</u>		<u>1,865,240</u>

The financial statements were approved by the governors, and authorised for issue on 11 December 2023 and signed on their behalf by:



Peter Irvine (Chair of Trustees)



Sarah Campbell (Accounting Officer)

Company Registration Number: 07693715

SETTLEBECK SCHOOL ACADEMY TRUST

STATEMENT OF CASHFLOWS

YEAR ENDED 31 AUGUST 2023

	Year Ended 31 Aug 23 £	Year Ended 31 Aug 22 £			
Reconciliation of net income / (expenditure) to net cashflow from operating activities					
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	(135,345)	84,141			
Adjusted for:					
Interest receivable	(10)	(96)			
Loss on disposal of fixed assets	-	-			
Depreciation	71,417	71,417			
Capital grants from DfE/ESFA	(130,263)	(133,079)			
Other capital funding received	(1,068)	(32,149)			
Decrease/(increase) in stocks	-	-			
Decrease/(increase) in debtors	70,540	(43,146)			
Increase/(decrease) in creditors	(55,144)	99,860			
Increase/(decrease) in creditors over one year	(10,379)	(12,068)			
Decrease/(increase) in Salix loans included in above	8,379	4,689			
Defined benefit pension scheme costs less contributions payable	(16,000)	64,000			
Defined benefit pension scheme net finance costs	13,000	21,000			
Net cash provided by / (used in) operating activities	(184,873)	124,569			
Cashflows from investing activities					
Receipts from sale of tangible fixed assets	-	-			
Payments to acquire tangible fixed assets	-	(14,740)			
Other capital funding received	1,068	32,149			
Capital grants from DfE/ESFA	130,263	133,079			
Interest received	10	96			
Net cash provided by / (used in) investing activities	131,341	150,584			
Cashflows from financing activities					
Receipts from Salix loans	-	-			
Repayments made on Salix loans	(8,379)	(4,689)			
Net cash provided by / (used in) financing activities	(8,379)	(4,689)			
Increase / (Decrease) in cash in the year	(61,911)	270,464			
Reconciliation of net cash flow to movement in net funds					
Increase/(decrease) in cash in the period	(61,911)	270,464			
Cash and cash equivalents at 1 September 2022	995,823	725,359			
Cash and cash equivalents at 31 August 2023	933,912	995,823			
Analysis of cash and cash equivalents	1 Sep 2022	Cash flows	31 Aug 2023		
	£	£	£		
Cash in hand and at bank	995,823	(61,911)	933,912		
Total cash and cash equivalents	995,823	(61,911)	933,912		
Analysis of changes in net debt	1 Sep 22	Cash flows	New agreement	Other non-cash	31 Aug 23
	£	£	£	£	£
Cash	995,823	(61,911)	-	-	933,912
Loans falling due within one year	(8,379)	8,379	-	(10,379)	(10,379)
Loans falling due after more than a year	(68,964)	-	-	10,379	(58,585)
Finance lease obligations	-	-	-	-	-
Total	918,480	(53,532)	-	-	864,948

SETTLEBECK SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2023

1. Statement of 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.

Basis of preparation

The financial statements 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.

The trust meets the definition of a public benefit entity under FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the 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 financial statements.

Due to the intention to move into a Multi Academy Trust within less than a year of the financial statements being approved, the financial statements are therefore prepared on a basis other than going concern however the values have been calculated on a going concern basis since the academy trust's intention is for the school to remain a going concern but will operate under the Multi Academy Trust.

Incoming resources

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 receivable

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the 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.

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.

SETTLEBECK SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2023

1. Statement of Accounting Policies (*Continued*)

Donated goods, facilities and services

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 financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Donated fixed assets

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be 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.

Deferred income

Grants and other funding received for the Academy's educational activities for a period spanning the year end are deferred pro-rata to the relevant periods in order to match the funding to the period in which the costs of charitable activities are incurred.

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.

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.

All resources expended are exclusive of irrecoverable VAT.

SETTLEBECK SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2023

1. Statement of Accounting Policies (*Continued*)

Tangible fixed assets

Tangible fixed assets transferred on conversion to Academy status have been included in the accounts at valuation.

Tangible fixed assets since the Academy was established are included in the accounts at cost, net of depreciation and any provision for impairment.

Single assets costing less than £2,000 or similar groups of assets purchased or ordered together of less than £2,000 are written off in the year of purchase.

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

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold buildings	- straight line over the estimated economic life (23 to 50 years)
Plant and machinery	- straight line over the estimated economic life (15 years)
Furniture and equipment	- 10% straight line
ICT equipment	- 33% straight line
Motor vehicles	- 20% straight line

Assets in the course of construction are included at cost; depreciation on these assets is not charged until they are brought into use.

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.

No depreciation is provided on freehold land.

The total depreciation charge is allocated to direct costs and support costs pro-rata to the number of employees.

A full years depreciation is charged in the year of purchase and no charge is made in the year of disposal.

SETTLEBECK SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2023

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.

Public Benefit Entity Concessionary Loans

Public benefit entity concessionary loans shall initially be measured at the amount received and recognised in the statement of financial position. In subsequent years, the carrying amount of concessionary loans in the financial statements shall be adjusted to reflect any accrued interest payable.

Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

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 as detailed in the notes. Prepayments are not financial instruments.

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in the notes. 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.

Stock

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

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 taxation 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.

SETTLEBECK SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2023

1. Statement of Accounting Policies (*Continued*)

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.

Teachers' Pension Scheme

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. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

Local Government Pension Scheme

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/(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.

Fund accounting

Unrestricted funds reflect those resources which may be used towards meeting any of the objects of the Academy at the discretion of the trustees.

Restricted fixed asset funds reflect the fixed assets and capital grants for the purchase of fixed assets to be used for charitable purposes.

Restricted general funds comprise grants, including the General Annual Grant (GAG), and other funding for educational purposes and any voluntary income to be used for specific purposes.

The Local Government Pension Scheme deficit is recognised against restricted general funds in order to match it against the GAG, in accordance with ESFA guidance.

Details of restricted and unrestricted funds are shown in the notes to the financial statements.

SETTLEBECK SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2023

1. Statement of Accounting Policies (*Continued*)

Critical accounting estimates and areas of judgement

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, assumptions and judgements

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

- The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in the notes, will impact on the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 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 annual depreciation charge is sensitive to the estimated useful economic lives of property. The useful economic lives of property, plant and equipment is initially based on the professional valuers report using their judgement and experience. The useful economic lives are assessed annually and changed when necessary to reflect current thinking on their remaining lives.

SETTLEBECK SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2023

2. Donations and capital grants

	Unrestricted Funds £	Restricted Funds £	Year Ended 31 Aug 23 £	Year Ended 31 Aug 22 £
EFA Capital grants	-	130,263	130,263	133,079
Other donations / legacy income	35,546	1,068	36,614	32,149
	<u>35,546</u>	<u>131,331</u>	<u>166,877</u>	<u>165,228</u>
2022 total	<u>-</u>	<u>165,228</u>	<u>165,228</u>	

3. Funding for Academy's educational operations

	Unrestricted Funds £	Restricted Funds £	Year Ended 31 Aug 23 £	Year Ended 31 Aug 22 £
DfE / ESFA grants				
General Annual Grant (GAG)	-	1,423,660	1,423,660	1,392,119
Other DfE / ESFA grants				
Pupil Premium	-	34,299	34,299	29,801
Teachers pay grant	-	-	-	-
Teachers pension grant	-	-	-	-
Schools supplementary grant	-	35,410	35,410	14,754
Mainstream schools additional grant	-	18,775	18,775	-
Other DfE / ESFA grants	-	9,716	9,716	9,341
Other Government grants				
Local Authority Funded Statements	-	410,623	410,623	370,952
Other Local Authority Grants	-	9,471	9,471	13,436
Exceptional government funding				
COVID-19 additional funding (ESFA/DfE)				
National tutoring programme	-	5,015	5,015	4,376
Recovery premium grant	-	13,253	13,253	6,000
COVID-19 additional funding (non - ESFA/DfE)				
Mass testing funding	-	-	-	17,247
Coronavirus Job Retention Scheme grant	-	-	-	-
School Fund Income	-	4,289	4,289	23,920
Catering	55,357	-	55,357	45,522
Other Educational Operations				
Educational Activities and Visits	-	42,986	42,986	14,535
Other	2,151	20,796	22,947	19,925
	<u>57,508</u>	<u>2,028,293</u>	<u>2,085,801</u>	<u>1,961,928</u>
2022 total	<u>47,516</u>	<u>1,914,412</u>	<u>1,961,928</u>	

Exceptional government funding

The academy trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "exceptional government funding".

The academy has claimed £5,015 in respect of the national tutoring programme. This has been used to cover staffing costs.

The academy received £13,253 in respect of the Recovery Premium Grant. This has been used to cover staffing costs.

SETTLEBECK SCHOOL ACADEMY TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2023

4. Other trading activities

	Unrestricted Funds £	Restricted Funds £	Year Ended 31 Aug 23 £	Year Ended 31 Aug 22 £
Hire of facilities and utility recharges	20,524	-	20,524	23,506
Service Provision	31,212	-	31,212	22,198
RPA insurance claims	-	-	-	510
	<u>51,736</u>	<u>-</u>	<u>51,736</u>	<u>46,214</u>
2022 total	<u>45,704</u>	<u>510</u>	<u>46,214</u>	

5. Investment Income

	Unrestricted Funds £	Restricted Funds £	Year Ended 31 Aug 23 £	Year Ended 31 Aug 22 £
Bank Interest Receivable	10	-	10	96
	<u>10</u>	<u>-</u>	<u>10</u>	<u>96</u>
2022 total	<u>96</u>	<u>-</u>	<u>96</u>	

SETTLEBECK SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2023

6. Expenditure

	Staff Costs £	Non Pay Premises £	Expenditure Other Costs £	Year Ended 31 Aug 23 £	Year Ended 31 Aug 22 £
Expenditure on raising funds	19,352	20,524	11,860	51,736	45,704
Academy's educational operations					
Direct costs	1,218,037	34,280	107,807	1,360,124	1,222,350
Allocated support costs	227,302	189,036	567,063	983,401	792,001
Educational activities and school fund costs	-	-	44,508	44,508	29,270
	1,445,339	223,316	719,378	2,388,033	2,043,621
	1,464,691	243,840	731,238	2,439,769	2,089,325
2022 total	1,410,399	352,665	326,261	2,089,325	

Incoming/outgoing resources for the period

	Year Ended 31 Aug 23 £	Year Ended 31 Aug 22 £
This is stated after charging:		
Depreciation	71,417	71,417
Loss on disposal of fixed assets	-	-
Operating leases	1,880	1,880
Fees payable to auditor	7,400	6,570
- audit of the financial statements		
- other assurance services	680	1,840
- other services	-	-
	81,377	81,707

7. Expenditure on raising funds

	Unrestricted Funds £	Restricted Funds £	Year Ended 31 Aug 23 £	Year Ended 31 Aug 22 £
Teaching and educational support staff	-	-	-	2,235
Support staff costs	19,352	-	19,352	12,377
Maintenance of premises and equipment	-	-	-	-
Rent and rates	-	-	-	-
Heat and light	20,524	-	20,524	23,506
Catering	11,860	-	11,860	7,586
Printing, postage, stationery & photocopying	-	-	-	-
Advertising	-	-	-	-
Fund Raising Expenses	-	-	-	-
Other support costs	-	-	-	-
	51,736	-	51,736	45,704
2022 total	45,704	-	45,704	

SETTLEBECK SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2023

8. Charitable Activities

	Unrestricted Funds £	Restricted Funds £	Year Ended 31 Aug 23 £	Year Ended 31 Aug 22 £
Direct costs - educational operations				
Teaching and educational support staff	-	1,218,037	1,218,037	1,122,351
Depreciation	-	34,280	34,280	31,741
Loss on disposal of fixed assets	-	-	-	-
Books, apparatus and stationery	-	36,927	36,927	29,968
Staff development	-	11,163	11,163	16,946
Examination fees	-	34,499	34,499	21,344
Academic intervention	-	17,442	17,442	-
Other direct costs	-	7,776	7,776	-
	-	1,360,124	1,360,124	1,222,350
Allocated support costs - educational operations				
Support staff costs	39,957	184,470	224,427	270,466
Depreciation	-	37,137	37,137	39,676
Loss on disposal of fixed assets	-	-	-	-
Recruitment and support	-	1,140	1,140	1,533
Maintenance of premises and equipment	-	56,238	56,238	171,468
Condition improvement fund expenditure	-	313,770	313,770	68,717
Legal and Professional	-	45,193	45,193	38,317
Cleaning	-	1,557	1,557	3,190
Rent and rates	-	19,842	19,842	16,205
Heat and light	-	24,773	24,773	24,715
Insurance	-	4,296	4,296	3,847
Transport	-	30,527	30,527	30,220
Catering	39,486	4,387	43,873	28,339
Printing, postage, stationery & photocopying	-	1,000	1,000	1,000
Advertising	-	3,117	3,117	1,911
Telephone	-	3,012	3,012	2,983
Bank charges	-	324	324	402
Technology and licence fee costs	-	115,554	115,554	40,584
Other support costs	1,595	11,745	13,340	8,185
	81,038	858,082	939,120	751,758
Educational activities and school fund costs				
Educational activities	-	42,986	42,986	14,535
Educational activities staff costs	-	-	-	-
School Fund expenditure	-	1,522	1,522	14,735
	-	44,508	44,508	29,270
Support costs - governance				
Professional fees	-	1,397	1,397	1,348
Legal fees	-	15,594	15,594	5,000
Support staff costs	-	2,875	2,875	2,970
Net finance costs in respect of defined benefit pension schemes	-	13,000	13,000	21,000
Audit fees	-	7,400	7,400	6,570
Accountancy and assurance fees	-	4,015	4,015	3,355
	-	44,281	44,281	40,243
Total direct and support costs	81,038	2,306,995	2,388,033	2,043,621
2022 total	57,543	1,986,078	2,043,621	

SETTLEBECK SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2023

9. a. Staff costs

	Year Ended 31 Aug 23 £	Year Ended 31 Aug 22 £
Staff costs during the period were:		
Wages and salaries	1,084,928	990,807
Social security costs	91,809	83,489
Operating costs of defined benefit pension schemes	249,275	299,609
Apprenticeship levy	-	-
	<u>1,426,012</u>	<u>1,373,905</u>
Supply staff costs	34,995	36,494
Staff restructuring costs	<u>3,684</u>	<u>-</u>
	<u>1,464,691</u>	<u>1,410,399</u>
Staff restructuring costs comprise:		
Redundancy payments	-	-
Severance payments	3,684	-
Other restructuring costs	-	-
	<u>3,684</u>	<u>-</u>

b. Severance payments

The academy trust paid one severance payments in the year, disclosed in the following bands:

	2023 No
0 - £25,000	1
£25,001 - £50,000	-
£50,001 - £100,000	-
£100,001 - £150,000	-
£150,000+	-
	<u>1</u>

c. Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory / non-contractual severance payments totalling £nil (2022: £nil). Individually, the payments were £nil (2022: £nil).

d. Staff numbers

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

	2023 No	2022 No
Teachers	21	17
Administration and support	26	25
Management	3	3
	<u>50</u>	<u>45</u>

e. Higher paid staff

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

	2023 No	2022 No
£60,001 - £70,000	0	0
£70,001 - £80,000	1	1
	<u>1</u>	<u>1</u>

f. 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 £230,774 (2022: £255,808).

SETTLEBECK SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2023

10. Fund Transfers

During the period the following transfers were made between funds:

Unrestricted funds

Transfer to unrestricted catering fund from the General Annual Grant restricted general fund to cover the overspend in the current period on the provision of catering to the academy's pupils.

24,087

24,087

Restricted general funds

General Annual Grant

School contribution to CIF project

(26,795)

Fixed assets used for charitable purposes - purchases from GAG

-

Transfer from the General Annual Grant restricted general fund to the unrestricted catering fund to cover the overspend in the current period on the provision of catering to the academy's pupils.

(24,087)

(50,882)

(50,882)

Restricted fixed asset funds

Fixed assets used for charitable purposes - purchases from GAG

-

-

School contribution to CIF project

26,795

26,795

SETTLEBECK SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2023

11. Tangible Fixed Assets

	Freehold Land & Buildings	Plant & Machinery	Furniture & Equipment	Motor Vehicles	ICT Equipment	Total
Cost	£	£	£	£	£	£
As at 01 September 2022	1,627,464	408,597	30,765	7,500	66,979	2,141,305
Additions	-	-	-	-	-	-
Disposals	-	-	(7,465)	-	(39,568)	(47,033)
As at 31 August 2023	<u>1,627,464</u>	<u>408,597</u>	<u>23,300</u>	<u>7,500</u>	<u>27,411</u>	<u>2,094,272</u>
Depreciation						
As at 01 September 2022	429,878	301,900	26,938	7,500	57,152	823,368
Disposals	-	-	(7,465)	-	(39,568)	(47,033)
Charge in year	38,786	27,239	479	-	4,913	71,417
As at 31 August 2023	<u>468,664</u>	<u>329,139</u>	<u>19,952</u>	<u>7,500</u>	<u>22,497</u>	<u>847,752</u>
Net book value						
As at 31 August 2023	<u>1,158,800</u>	<u>79,458</u>	<u>3,348</u>	<u>-</u>	<u>4,914</u>	<u>1,246,520</u>
As at 31 August 2022	<u>1,197,586</u>	<u>106,697</u>	<u>3,827</u>	<u>-</u>	<u>9,827</u>	<u>1,317,937</u>

Valuation Details

Included within freehold buildings and plant and machinery are the following assets which were transferred on conversion to an academy. The freehold buildings, integral features and the plant and machinery were valued at 'build costs' of £4,302,142, £653,760 and £276,629 respectively on 19 July 2011 by Gary A Bushell, FRICS, AMAE of Bushell Raven Limited who is independent of the charitable company.

The valuation by Gary A Bushell was based on the estimated rebuild costs, which the trustees have amended downwards to get to the Existing Use Value using a depreciated replacement cost approach. Under this approach the buildings were valued at £1,451,684 at the date of conversion and integral features and plant and machinery at a combined value of £408,597 at the date of conversion.

The freehold land was valued by the governors after obtaining the developed and undeveloped land acreage from Harrison Pitt Architects and then applying a market rate per acre each portion of the land.

Treatment of Condition Improvement Projects

During the year the academy completed a flat roofing project and a fire safety improvement project. All projects were funded by ESFA Condition Improvement Fund grants. The full cost of these projects have been treated as resources expended in the Statement of Financial Activities.

SETTLEBECK SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2023

12. Stock	2023 £	2022 £
Catering	215	215
Other	500	500
	<u>715</u>	<u>715</u>

13. Debtors	2023 £	2022 £
Trade debtors	1,551	600
VAT recoverable	29,901	26,618
Prepayments	27,064	20,025
Accrued income	50,132	131,945
Other debtors	-	-
	<u>108,648</u>	<u>179,188</u>

14. Creditors: amounts falling due within one year	2023 £	2022 £
Trade creditors	57,196	97,540
Taxation and social security	-	-
Sundry creditors	7,220	69
Accruals	91,654	107,953
Salix Loans	10,379	8,379
Deferred income	47,866	55,518
Pension scheme creditor	-	-
	<u>214,315</u>	<u>269,459</u>

Deferred income	2023 £	2022 £
Deferred income at 01 September 2022	55,518	25,962
Resources deferred in the year	47,866	55,518
Amounts released from previous years	(55,518)	(25,962)
Deferred income at 31 August 2023	<u>47,866</u>	<u>55,518</u>

Deferred income comprises:

School income for future trips	7,094	5,801
Bus Passes for the next academic year	-	-
ESFA Rates Rebate	5,474	4,749
LA funded statements for September to March in the next financial year	35,298	44,968
	<u>47,866</u>	<u>55,518</u>

Included within creditors are Salix loans from the ESFA.

15. Creditors: amounts falling due after more than one year	2023 £	2022 £
Salix Loans	58,585	68,964
	<u>58,585</u>	<u>68,964</u>

Salix loans are public benefit concessionary loans which are repayable over 8 years from commencement and are interest free.

Included within the above are amounts not wholly repayable within 5 years and are repayable by instalments totalling:

	£	£
Salix loans	17,068	27,447

SETTLEBECK SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2023

16. Funds	Balance at 01-Sep 2022 £	Incoming resources £	Resources expended £	Gains, Losses and Transfers £	Balance at 31-Aug 2023 £
Restricted Fixed Asset Funds					
Fixed Assets used for					
Charitable purposes	1,317,937	-	(71,417)	-	1,246,520
ESFA formula capital fund	-	23,088	(7,341)	-	15,747
ESFA condition improvement fund					
Fire Safety Improvement	-	107,175	(133,970)	26,795	-
Flat Roofing	179,801	-	(179,801)	-	-
	-	-	-	-	-
	<u>1,497,738</u>	<u>130,263</u>	<u>(392,529)</u>	<u>26,795</u>	<u>1,262,267</u>
Restricted General Funds					
DfE / ESFA Revenue Grants					
General Annual Grant (GAG)	536,272	1,423,660	(1,314,532)	(50,882)	594,518
Pupil Premium	-	34,299	(34,299)	-	-
Teachers pay grant	-	-	-	-	-
Schools supplementary grant	-	35,410	(35,410)	-	-
Mainstream schools additional gra	-	18,775	(18,775)	-	-
Other DfE/ESFA Grants	-	9,716	(9,716)	-	-
Exceptional government funding					
National tutoring programme	-	5,015	(5,015)	-	-
Recovery premium grant	-	13,253	(13,253)	-	-
Mass testing fund	-	-	-	-	-
Other Government Grants					
Local Authority Funded Statements	-	410,623	(410,623)	-	-
Other Local Authority Grants	-	9,471	(9,471)	-	-
School Funds	<u>79,532</u>	<u>4,289</u>	<u>(1,522)</u>	<u>-</u>	<u>82,299</u>
Other Educational Operations					
Educational Activities and Visits	-	42,986	(42,986)	-	-
Other	-	21,864	(21,864)	-	-
	<u>615,804</u>	<u>2,029,361</u>	<u>(1,917,466)</u>	<u>(50,882)</u>	<u>676,817</u>
Restricted Pension Reserve Funds					
Pension reserve	(290,000)	-	3,000	246,000	(41,000)
Total Restricted Funds	<u>325,804</u>	<u>2,029,361</u>	<u>(1,914,466)</u>	<u>195,118</u>	<u>635,817</u>
Unrestricted Funds					
General Unrestricted Funds	41,698	53,897	(53,330)	-	42,265
Designated legacy fund	-	35,546	-	-	35,546
Catering Fund	-	55,357	(79,444)	24,087	-
Total Unrestricted Funds	<u>41,698</u>	<u>144,800</u>	<u>(132,774)</u>	<u>24,087</u>	<u>77,811</u>
Total Funds	<u>1,865,240</u>	<u>2,304,424</u>	<u>(2,439,769)</u>	<u>246,000</u>	<u>1,975,895</u>

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.

SETTLEBECK SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2023

16. Funds (continued)

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

General Annual Grant (GAG) fund

This represents the core funding for the educational activities of the school that has been provided to the academy via the Education & Skills Funding Agency (ESFA).

Pupil Premium

This represents funding paid by the DfE to support disadvantaged students in their teaching and learning, with the aim of improving their attainment and closing the gap with their less disadvantaged peers.

Teachers pay and pension grants

Teachers pay grant is provided to support teacher pay awards. Teachers pension grant is provided to support the increase in employer contributions to the Teachers' Pension Scheme from September 2019.

LA Funded Statements

This represents funding paid by Cumbria County Council to support a continuum of provision for students with special educational needs (SEN), learning difficulties and disabilities.

School Funds

This represents restricted contributions to be extended on specific projects, activities and materials for the benefit of the pupils.

Educational Activities and visits

This represents mainly parental contributions. Voluntary income and educational income to be expended on specific projects, activities and materials for the benefit of the pupils.

Catering

This represents funding relating to the provision of school meals for students and staff.

Defined benefit pension scheme fund

This represents the deficit on the Local Government Pension Scheme (LGPS) at the year end. For details of the deficit payment plan see the pensions note.

Fixed assets used for charitable purposes

This represents the value and movements on Tangible Fixed Assets note.

Funds in Deficit

Pension Reserve Fund - this fund represents the deficit on the Local Government Pension Scheme (LGPS) at the year end. The Academy has entered into an agreement effective from 1 April 2023 to make additional contributions in addition to normal funding levels. It is anticipated that the payments will be made over 10 years from 1 April 2023, including £25,500 for 2023/24, £26,300 in 2024/25 and £27,100 in 2025/26.

SETTLEBECK SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2023

16. Funds (continued)

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

Funds	Balance at 01-Sep 2021 £	Incoming resources £	Resources expended £	Gains, Losses and Transfers £	Balance at 31-Aug 2022 £
Restricted Fixed Asset Funds					
Fixed Assets used for					
Charitable purposes	1,374,614	-	(71,417)	14,740	1,317,937
ESFA formula capital fund	-	7,223	(7,223)	-	-
ESFA condition improvement fund					
Flat Roofing	-	125,856	-	53,945	179,801
Electrical re-wiring (2)	37,038	-	(37,038)	-	-
Security fencing	31,679	-	(31,679)	-	-
	<u>1,443,331</u>	<u>133,079</u>	<u>(147,357)</u>	<u>68,685</u>	<u>1,497,738</u>
Restricted General Funds					
DfE / ESFA Revenue Grants					
General Annual Grant (GAG)	428,758	1,392,119	(1,205,219)	(79,386)	536,272
Pupil Premium	-	29,801	(29,801)	-	-
Teachers pay grant	-	0	-	-	-
Schools supplementary grant	-	14,754	(14,754)	-	-
Other DfE/ESFA Grants	-	9,341	(9,341)	-	-
Exceptional government funding					
Catch-up premium	2,735	-	(2,735)	-	-
National tutoring programme	-	4,376	(4,376)	-	-
Recovery premium grant	-	6,000	(6,000)	-	-
Mass testing fund	-	17,247	(17,247)	-	-
Other Government Grants					
Local Authority Funded Statements	-	370,952	(370,952)	-	-
Other Local Authority Grants	-	13,436	(13,436)	-	-
School Funds	70,347	23,920	(14,735)	-	79,532
Other Educational Operations					
Educational Activities and Visits	-	14,535	(14,535)	-	-
Other	-	50,590	(50,590)	-	-
	<u>501,840</u>	<u>1,947,071</u>	<u>(1,753,721)</u>	<u>(79,386)</u>	<u>615,804</u>
Restricted Pension Reserve Funds					
Pension reserve	(1,171,000)	-	(85,000)	966,000	(290,000)
Total Restricted Funds	<u>(669,160)</u>	<u>1,947,071</u>	<u>(1,838,721)</u>	<u>886,614</u>	<u>325,804</u>
Unrestricted Funds					
General Unrestricted Funds	40,928	47,794	(47,024)	-	41,698
Catering Fund	-	45,522	(56,223)	10,701	-
Total Unrestricted Funds	<u>40,928</u>	<u>93,316</u>	<u>(103,247)</u>	<u>10,701</u>	<u>41,698</u>
Total Funds	<u>815,099</u>	<u>2,173,466</u>	<u>(2,089,325)</u>	<u>966,000</u>	<u>1,865,240</u>

SETTLEBECK SCHOOL ACADEMY TRUST
COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2023

17. Analysis of Net Assets Between Funds

Fund balances at 31 August 2023 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	1,246,520	1,246,520
Current assets	77,811	876,473	88,991	1,043,275
Current liabilities	-	(141,071)	(73,244)	(214,315)
Long term creditors	-	(58,585)	-	(58,585)
Pension scheme liability	-	(41,000)	-	(41,000)
Total Net Assets	77,811	635,817	1,262,267	1,975,895

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

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	1,317,937	1,317,937
Current assets	41,698	954,227	179,801	1,175,726
Current liabilities	-	(269,459)	-	(269,459)
Long term creditors	-	(68,964)	-	(68,964)
Pension scheme liability	-	(290,000)	-	(290,000)
Total Net Assets	41,698	325,804	1,497,738	1,865,240

18. Commitments Under 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 £
Assets other than land and buildings		
Amounts due within one year	1,880	1,880
Amounts due between two and five years inclusive	3,761	5,641
Amounts due after five years	-	-
	5,641	7,521

19. Capital Commitments

	2023 £	2022 £
Contracted for, but not provided for in the financial statements	-	179,801
	-	179,801

SETTLEBECK SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2023

20. 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 Your Pension Service (YPS) for Cumbria County 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 of the LGPS 31 March 2022.

Contributions payable to the schemes at 31 August and included in creditors were as follows:

	2023	2022
	£	£
Teachers' Pension Scheme	-	-
Local Government Pension Scheme	-	-
	<u>-</u>	<u>-</u>

The total pension costs to the academy during the year ended 31 August and included in staff costs were as follows:

	2023	2022
	£	£
Teachers' Pension Scheme	162,893	143,594
Local Government Pension Scheme	76,299	65,866
Local Government Pension Scheme deficit recovery	26,083	26,149
LGPS current service cost/contributions adjustment	(16,000)	64,000
	<u>249,275</u>	<u>299,609</u>

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 academies. All teachers have the option to opt-out of the TPS following enrolment.

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

Valuation of the Teachers' Pension Scheme

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

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

SETTLEBECK SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2023

20. Pension and similar obligations (Continued)

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

The employer's pension costs paid to TPS in the period amounted to £162,893 (2022: £143,594).

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 (LGPS)

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August were as follows:

	2023	2022
	£	£
Employer's contributions	76,299	65,866
Employees' contributions	22,466	19,387
Local Government Pension Scheme deficit recovery	26,083	26,149
LGPS current service cost/contributions adjustment	(16,000)	64,000
Total contributions	<u>108,848</u>	<u>175,402</u>

The agreed contribution rates for future years are 19.6% for employers, and 5.5% to 12.5% for employees depending on pay bands.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of an academy trust 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.

At the balance sheet date the scheme is in deficit. The Academy has entered into an agreement effective from 1 April 2023 to make additional contributions in addition to normal funding levels. It is anticipated that the payments will be made over 10 years from 1 April 2023, including £25,500 for 2023/24, £26,300 in 2024/25 and £27,100 in 2025/26.

SETTLEBECK SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2023

20. Pension and similar obligations (Continued)

Principal Actuarial Assumptions	At 31 August 2023	At 31 August 2022
Inflation assumption (CPI)	2.80%	2.80%
Rate of increase in salaries	4.30%	4.30%
Rate of increase for pensions in payment / inflation	2.90%	2.90%
Discount rate for scheme liabilities	5.40%	4.30%

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

	At 31 August 2023	At 31 August 2022
<i>Retiring today</i>		
Males	21.4	22.6
Females	23.8	25.3
<i>Retiring in 20 years</i>		
Males	22.7	24.1
Females	25.6	27.1

Sensitivity analysis

The table below, as produced by Mercer sets out the impact of a small change in assumptions on the defined benefit obligation.

	At 31 August 2023		At 31 August 2022	
	Deficit	Change	Deficit	Change
Discount rate + 0.1%	9,000	(32,000)	255,000	(35,000)
Discount rate - 0.1%	73,000	32,000	326,000	36,000
Mortality assumption - 1 year increase	77,000	36,000	325,000	35,000
Mortality assumption - 1 year decrease	6,000	(35,000)	256,000	(34,000)
CPI rate + 0.1%	73,000	32,000	326,000	36,000
CPI rate - 0.1%	9,000	(32,000)	255,000	(35,000)

The Academy Trust's share of the assets and liabilities in the scheme were:

	Fair value at 31 August 2023	Fair value at 31 August 2022
	£	£
Equities	694,000	474,000
Government bonds	232,000	201,000
Other bonds	-	-
Property	144,000	137,000
Cash / liquidity	40,000	44,000
Other	715,000	556,000
Total market value of assets	1,825,000	1,412,000
Present value of scheme liabilities		
- Funded	(1,866,000)	(1,702,000)
- Unfunded	-	-
Surplus/(deficit) in the scheme	(41,000)	(290,000)

None of the fair values of the assets shown above include any of the Academy's own financial instruments or any property occupied by, or other assets used by, the Academy.

SETTLEBECK SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2023

20. Pension and similar obligations (Continued)

The actual return on scheme assets in the period was £68,000 (2022: (£101,000)).

Amounts recognised in the Statement of Financial Activities are as follows:

	2023	2022
	£	£
Current service cost (net of employee contributions)	(86,000)	(155,000)
Past service (cost)/gain	0	-
Administrative expenses	(3,000)	(3,000)
Net Interest cost	(10,000)	(18,000)
Total operating charge	<u>(99,000)</u>	<u>(176,000)</u>

Analysis of other recognised gains and (losses)

	2023	2022
	£	£
Remeasurements (liabilities)	2,000	1,091,000
Remeasurements (assets)	244,000	(125,000)
Total charge	<u>246,000</u>	<u>966,000</u>

Changes in the deficit in the year:

	2023	2022
	£	£
Deficit in scheme at 1 September 2022	290,000	1,171,000
Current service cost	86,000	155,000
Past service (cost)/gain	-	-
Interest cost	73,000	43,000
Employer contributions	(102,000)	(91,000)
Actuarial (gain)/loss - Remeasurements	(246,000)	(966,000)
Administration expenses	3,000	3,000
Interest income	(63,000)	(25,000)
Plan introductions, benefit changes, curtailments and settlements	-	-

Deficit at 31 August 2023

	<u>41,000</u>	<u>290,000</u>
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Changes in the present value of defined benefit obligations were as follows:

	2023	2022
	£	£
At 01 September 2022	1,702,000	2,591,000
Current service cost	86,000	155,000
Interest cost	73,000	43,000
Employee contribution	22,000	19,000
Past service (cost)/gain	-	-
Actuarial (gains)/losses - remeasurements	(2,000)	(1,091,000)
Benefits/transfers paid	(15,000)	(15,000)
Benefit obligation at 31 August 2023	<u>1,866,000</u>	<u>1,702,000</u>

Changes in the fair value of Academy's share of scheme assets:

	2023	2022
	£	£
At 01 September 2022	1,412,000	1,420,000
Return on plan assets	63,000	25,000
Administrative expenses	(3,000)	(3,000)
Actuarial gain/(losses) - remeasurements	244,000	(125,000)
Employer contributions	102,000	91,000
Employee contribution	22,000	19,000
Benefits/transfers paid	(15,000)	(15,000)
Closing fair value of scheme assets at 31 August 2023	<u>1,825,000</u>	<u>1,412,000</u>

SETTLEBECK SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2023

21. Related Party Transactions

Owing to the nature of the academy trust and the composition of the board of governors being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest.

All transactions involving such organisations are conducted in accordance with the requirements of the AFH, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

The following related party transactions took place in the period of account:

Related parties

- *Sedbergh Primary School*
There were governors who acted for the academy during the year who also acted as governors for Sedbergh Primary School. The governors have no equitable interest in either entity.
- *South Westmorland Multi Academy Trust (SWMAT)*
The Chief Financial Officer (CFO) for the SWMAT also acts as the CFO for Settlebeck School through a non profit annual service level agreement.

Income Related Party Transactions

- *Sedbergh Primary School*
The academy received catering income of £31,212 (2022: £19,963) from Sedbergh Primary School for the provision of school meals during the year.

During the year the academy recharged Sedbergh Primary School £20,524 (2022: £22,192) for electricity, gas and water usage.

During the year the academy recharged Sedbergh Primary School £199 (2022: £1,886) for various other supplies/services.

Expenditure Related Party Transactions

South Westmorland Multi Academy Trust (SWMAT)

During the year the SWMAT invoiced Settlebeck school £32,000 (2022: £31,000) for financial services.

SETTLEBECK SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2023

22. Related Party Transactions - Trustees' Remuneration and Expenses

One or more 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.

Other trustees did not receive any payments, other than expenses, from the academy in respect of their role as trustees.

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

Sarah Campbell (Principal):		
Remuneration	£75,000 to £79,999	(2022: £70,000 to £74,999)
Employer's pension contributions	£15,000 to £19,999	(2022: £15,000 to £19,999)
Sarah Evans (Staff governor - resigned June 2022)		
Remuneration		(2022: £35,000 to £39,999)
Employer's pension contributions		(2022: £5,000 to £9,999)

During the period ended 31 August 2023, there were travel and subsistence expenses totalling £nil (2022: £nil) reimbursed or paid directly to nil trustees (2022: nil).

23. Trustees' and Officers' Insurance

In accordance with normal commercial practice the academy has purchased insurance to protect governors and officers from claims for negligent acts, errors or omissions occurring whilst on academy business. The insurance for the year ended 31 August 2023 provides cover up to £10,000,000 (2022: £10,000,000) on any one loss and any one membership year.

The academy's insurance is via the Department for Education's risk protection arrangement (RPA) and the cost of this insurance is included in the total insurance cost. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme membership.

24. Members Liability

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

25. Going Concern

The governors have the intention to move into a Multi Academy Trust within less than a year of the financial statements being approved, the financial statements are therefore prepared on a basis other than going concern however the values have been calculated on a going concern basis since the academy trust's intention is for the school to remain a going concern but will operate under the Multi Academy Trust.

The academy hopes to join the Changing Lives Learning Trust within the current academic year.