



Salterlee Academy Trust Limited

(Company limited by guarantee)

FINANCIAL STATEMENTS

31 AUGUST 2019

Company Registration Number 07712946

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Spenser Wilson
Chartered Accountants & Business Advisers

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2019

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SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

REPORT OF THE GOVERNORS (INCORPORATING THE DIRECTORS' REPORT)

YEAR ENDED 31 AUGUST 2019

REFERENCE AND ADMINISTRATIVE DETAILS

Local authority	Calderdale		
Company registration number	07712946		
Principal office and registered office	Kell Lane Shibden Halifax HX3 7AY		
Governors	Steven Crossley Diane Cooper Mr M Scott Deborah Collet Chris Widdop Sohail Rashid Jayne Golding-Smith Lisa Radcliffe Felicity Sutcliffe Mr D Dennett	Co-opted Governor Co-opted Governor Ex officio Governor Staff Governor Parent Governor Parent Governor Co-opted Governor Parent Governor Co-opted Governor Community Governor	(Resigned 13 December 2018) (Resigned 18 December 2018)
Members	Chris Widdop Sohail Rashid Jayne Golding-Smith Lisa Radcliffe		
Accounting officer	Mark Scott		
Auditor	Spenser Wilson Ltd Chartered Accountants and Statutory Auditor Equitable House 55 Pellon Lane Halifax HX1 5SP		
Bankers	Yorkshire Bank 7 Waterhouse Street Halifax HX1 1XZ		
Solicitors	Wilkinson Woodward 11 Fountain Street Halifax HX1 1LU		

SALTERLEE ACADEMY TRUST LIMITED

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REPORT OF THE GOVERNORS (INCORPORATING THE DIRECTORS' REPORT) *(continued)*

YEAR ENDED 31 AUGUST 2019

The governors, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 August 2019.

Salterlee Academy Trust Ltd is a primary academy for pupils aged 4-11. It is based in West Yorkshire and has a pupil capacity of 106. In the school census in May 2019 the academy had a roll of 98 pupils.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy is a company limited by guarantee and, under the terms of the Academies Act 2010, an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy. The company was incorporated on 21 July 2011 and the Academy opened on 1 September 2011..

Governors

The governors act as the directors of the charitable company, Salterlee Academy Trust Limited, for the purposes of company law and as trustees for the charitable activities of the company. Governors are appointed for a four-year term of office.

During the period under review the governors held four full Governing Body meetings. In addition, the Finance and Resource Committee and the Education Committee met three times.

The training and induction provided for all new governors will depend on their existing experience; an Induction Pack is given to all governors. All governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and any other documents that they will need to undertake their role as governor. As there are normally only two or three new governors a year, induction tends to be done informally and is tailored specifically to the individual's needs.

Governors' indemnities

Trustees benefit from indemnity insurance to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust. The insurance is purchased through the government's RPA scheme.

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 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.

Organisational structure

The structure now consists of two levels, the Governors and the Senior Manager Team. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

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REPORT OF THE GOVERNORS (INCORPORATING THE DIRECTORS' REPORT) *(continued)*

YEAR ENDED 31 AUGUST 2019

The governors are responsible for setting general policy, approving the School Development Plan, approving the school budget, monitoring the Academy by the use of budgets and making major decisions about the Academy's direction, capital expenditure and senior staff appointments.

The senior managers are the Headteacher and Assistant Headteacher. They are responsible for the day-to-day operation of the Academy, in particular organising the teaching staff and curriculum, overseeing the curriculum delivery and co-ordinating the well-being of staff and children.

OBJECTIVES AND ACTIVITIES

The principal object and activity of the charitable company is the operation of Salterlee Academy Trust to provide education for pupils of different abilities between the ages of 4 and 11.

In accordance with the Articles of Association the charitable company has adopted a 'Scheme of Government' approved by the Secretary of State for Education.

The main objectives of the Academy during the period ended 31 August 2019 are summarised below:-

- To encourage the development of a wide range of learning opportunities for all those associated with Salterlee Academy Trust.
 - To provide a stimulating, challenging and creative learning environment.
 - To provide extension and support opportunities for all abilities.
 - To maintain high expectation levels for children's all-round performance.
 - To set realistic goals and targets for the whole Academy, Key Stages, year groups, classes and individuals.
 - To promote a healthy lifestyle.
 - To ensure all children have access to physical activities and are aware of the need to be physically healthy.
 - To provide accurate information about drugs to ensure our children make the right choices in their everyday lives.
 - To provide a safe and caring environment where all children feel valued.
 - To encourage an empathy with the needs of others and a respect for all regardless of culture, race or religion.
 - To promote, in all children, a clear understanding of right and wrong.
 - To help our children become independent learners, developing enquiring minds and the ability to ask questions.
 - To enable our children to develop knowledge of the world in which they live.
 - To establish and maintain good working and caring relationships between all stakeholders.
 - To encourage children to take personal responsibility for their own actions and develop positive strategies of self-discipline.
 - To enable all members of our Academy community to experience success within their own development.
 - To help our children to appreciate the importance of beliefs and values in human affairs.
 - To promote a sense of belief in all individuals by encouraging enterprising actions.
 - To ensure all stakeholders, including children, have opportunities to contribute to relevant school decision-making.
 - To help our children towards an understanding of their responsibilities as citizens.
 - To acknowledge and reward personal achievement through praise and encouragement.
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SALTERLEE ACADEMY TRUST LIMITED

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REPORT OF THE GOVERNORS (INCORPORATING THE DIRECTORS' REPORT) *(continued)*

YEAR ENDED 31 AUGUST 2019

- To ensure children leave Salterlee Academy Trust with the necessary knowledge, skills and understanding from within a broad and rich curriculum to thereby achieve their full potential.

The Academy works closely with the children, their families and the local community in furtherance of these objectives.

After-School Provision

The Academy runs an Out of School Club (OOSC) during term times providing both morning and after-school care for children who attend Salterlee School. The finances of the OOSC fall under the remit of the Academy's Finance Committee and are reviewed at their termly meetings.

Public benefit

In setting our objectives and planning our activities the Governors have given careful consideration to the Charity Commissions general guidance on public benefit. Salterlee aims to provide the best possible education to pupils from the Shibden Valley and surrounding areas.

In addition to the benefits the academy provides to its pupils, the academy has contributed to the wider community through its participation in a schools linking programme and has helped provide sporting opportunities for children in other settings through its organisation of the small schools swimming gala and a football tournament for girls.

The academy has established links with a local church, including the creation of food parcels for a local homeless charity as part of a harvest festival. This is one of a number of local charity projects in which the academy has been involved.

Equal opportunities policy

The principal object and activity of the charitable company is the operation of Salterlee Academy Trust to provide education for pupils of different abilities between the ages of 4 and 11.

STRATEGIC REPORT

Risk management

The governors continue to monitor the risks that the Academy Trust is exposed to, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances, all of which are outlined on the Risk Register. They consider the most significant potential risks to be:

- Reputational damage due to poor Ofsted results.
- Personnel risks relating to the recruitment of the wrong person or poor Human Resources management, or from staff stress not being managed effectively.
- Poor decision making resulting from the absence of strong governance committees or insufficient training for such committees.
- Financial risks identified due to Treasury policies for the increase to Teachers Pension contributions and future increases to National Insurance rates.

The governors have implemented a number of systems to assess the 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 in order

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REPORT OF THE GOVERNORS (INCORPORATING THE DIRECTORS' REPORT) *(continued)*

YEAR ENDED 31 AUGUST 2019

to minimise risk. Where significant financial risk still remains, they have ensured that they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail in the statement on internal control.

We do not consider that the academy has any significant exposure to financial risks such as price risk, credit risk or liquidity risk.

ACHIEVEMENTS AND PERFORMANCE

Total pupils on roll in the period ended 31 August 2019 numbered 98; this is split between the year groups as follows:

Reception	15
Y1	15
Y2	15
Y3	14
Y4	13
Y5	15
Y6	11

The Academy obtained agreement from the Department for Education (DfE) to admit 15 pupils in each year from September 2012. This has been reviewed by the Governors and the school will now admit 16 pupils in order to increase income to make up for shortfalls in recent years.

All groups are planned for, assessed regularly and teaching adapted to suit the learning needs of all our children. Progress is monitored carefully, and children are identified for intervention if needed. The careful monitoring and evaluation procedure used impacts positively on the attainment of our children.

At the end of the academic year 2019, statutory assessments showed that overall attainment at Key Stage 1 was above the national average. The proportion of pupils achieving the highest levels in Reading, Writing and Maths was also above the national average in Key Stages 1. The proportion of pupils in Year 1 who passed the KS1 phonics screening was also above average. In addition to this the proportion of pupils in the early years who achieved a good level of development was in-line with the national average. The average scaled score for pupils in KS2 was above average in Reading and Maths, but the proportion achieving the expected standard in Writing was below average. This was reflected in the outcome that whilst progress in reading and maths was average, progress in Writing was well below. Of note was that there were only 11 pupils in the cohort and only 10 of these took the tests. As such confidence intervals are wide. Additionally, the school was moderated by the local authority for Writing and the outcomes for schools moderated in Calderdale remain anomalous with National averages.

The outdoor learning environment was improved through the installation of artificial grass on both the top and bottom playgrounds.

To promote healthy lifestyles the school worked throughout the year with the authority's 'Better Living Team'. Themed health days were held to re-enforce pupils' understanding of the benefits of healthy eating, exercise and sleep.

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YEAR ENDED 31 AUGUST 2019

To improve pupils' awareness of drugs two awareness days were organised involving contributions from the d:side drugs awareness charity and West Yorkshire Police.

To improve awareness of other cultures and religions a programme of multi-faith visits was embedded into the R.E. curriculum.

Priorities for 2019/20

The school's priorities focus upon:

- Improve the the quality of education through further development of the curriculum by increasing the skills of subject leaders.
- Improve the progress which pupils make with their writing.
- Improve the attendance of a small number of pupils.

FINANCIAL REVIEW

Going concern

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

The restricted income fund has a deficit of £351,772. This is due to a recognised pension deficit of £339,000 and the overspend on the GAG in the current year.

Pension deficit

The pension fund reserve shows a deficit of £339,000, which has arisen due to prior contribution levels and changes in the general economic environment. Following a review by the Local Government Pension Scheme, a twenty-two-year recovery period has been agreed. As part of the recovery plan, the Academy made additional contributions of £600 in 2017/18 and 2018/19. The level of additional contributions is reviewed every three years. The Academy will make additional contributions of £600 in the financial year 2019/2020.

Key financial performance indicators

A budget was set at the start of the year with the aim of ensuring expenditure remained within the limits of funding without building up an excessive surplus for which there was no identified use.

There is an overspend in the GAG in this year, due to unexpected pupil requirements which required an additional member of staff for a period of time. The school has secured additional funding in the current year through increased pupil numbers and from renting out the former dining hall to be able to keep within budget in the current year.

Financial report for the period

Most of the Academy's income is obtained from the DfE in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2019 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

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REPORT OF THE GOVERNORS (INCORPORATING THE DIRECTORS' REPORT) *(continued)*

YEAR ENDED 31 AUGUST 2019

The Academy also receives grants for fixed assets from the DfE. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2015), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund.

The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the period ended 31 August 2019, the excess of total expenditure over total income for the period (including restricted fixed asset funds) was £68,332.

At 31 August 2019 the net book value of fixed assets was £765,834 and movements in tangible fixed assets are shown in note 18 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

Reserves policy

The governors review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitment and the nature of reserves.

The governors noted in the minutes of the finance meeting held in June 2013 that a sensible level of reserves should be circa 7% of total income, this has remained unchanged for the period ending August 2019. The governors review the reserves policy annually in December each year.

Current reserves, excluding restricted fixed asset funds and the pension liability, are £43,975. At 8% of total income, this is approximately in line with what the governors believe should be held in reserves. However, as the Academy currently does not meet the criteria for accessing funds from the Conditions Improvement Fund (CIF) it needs to maintain reserves in order to fund necessary capital projects. Additional reserves may also be required to achieve balanced budgets in future years given the forecast deficits which arise from reduced funding due to lower pupil numbers.

The Academy holds unrestricted reserves. It is the governors' policy to apply these resources to meet the spending priorities determined by the Governing Body. The Academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £56,747.

Investment Policy

The academy aims to manage its cash balances to provide for the day-to-day working capital requirements of its operations, whilst protecting the real long-term value of any surplus cash balances against inflation. In addition, the academy aims to invest surplus cash funds to optimise returns, but ensuring the investment instruments are such that there is no risk of loss of these cash funds.

Financial position

The Academy held fund balances at 31 August 2019 of £477,623, comprising £420,876 of restricted funds (including a pension reserve deficit of £339,000) and £56,747 of unrestricted general funds.

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YEAR ENDED 31 AUGUST 2019

PLANS FOR FUTURE PERIODS

The governors' plans for the future include:

- Maintaining sufficient reserves to cover forecasted deficits in future years.
- Protecting the fabric of the building by investigating the need for further damp repudiation and facilitating any required remedial works.
- Continuing to develop a clear and ambitious vision for providing high-quality, inclusive education and training to all through strong, shared values, policies and practice.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

The governors' annual report and the strategic report were approved on 16 December 2019 and signed on behalf of the board of governors by:

Registered office:
Kell Lane
Shibden
Halifax
West Yorkshire
HX3 7AY

Signed on behalf of the Governors



C WIDDOP
Chair

SALTERLEE ACADEMY TRUST LIMITED

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GOVERNANCE STATEMENT

YEAR ENDED 31 AUGUST 2019

Scope of responsibility

As governors, we acknowledge we have overall responsibility for ensuring that Salterlee 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. The governing body has delegated the day-to-day responsibility to the Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and operate in accordance with the requirements and responsibilities assigned to it in the funding agreement between Salterlee Academy Trust Limited and the Secretary of State for Education. They are also responsible for reporting to the governing body any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The governing body has met formally four times during the year. Attendance during the year at meetings of the governing body was as follows:

	Meetings attended	Out of possible
Governor meetings:		
Steve Crossley	2	2
Diane Cooper	3	4
Deborah Collett	1	4
David Dennett	2	2
Chris Widdop	4	4
Jayne Golding-Smith	3	4
Mark Scott	4	4
Sohail Rashid	3	4
Lisa Radcliffe	4	4
Felicity Sutcliffe	2	4

Appointment of governors

The members may appoint governors as per the Memorandum and Articles of Association. The members may appoint staff governors provided that the total number of staff governors (including the Headteacher) does not exceed one third of the total number of governors. The Local Authority at the request of the Members may appoint the Local Authority governor. Parent governors shall be elected by parents of registered pupils at the Academy by secret ballot and a parent governor must be a parent of a pupil at the Academy at the time when he/she is elected. The governors may appoint up to three co-opted governors. Additional governors may, if deemed necessary, be appointed by the Secretary of State.

The Finance and Resource committee is a sub-committee of the main governing body. Its purpose is to oversee the financial management and controls of the academy, ensure compliance with ESFA regulations and report on financial issues to the main governing body. The committee has agreed the school's three year budget.

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GOVERNANCE STATEMENT *(continued)*

YEAR ENDED 31 AUGUST 2019

Attendance during the year at meetings of the Finance and Resource committee was as follows:

	Meetings attended	Out of a possible
Mark Scott	3	3
Diane Cooper	3	3
Steven Crossley	1	1
David Dennett	1	1
Sohail Rashid	0	3
Chris Widdop	3	3

There have been three Educational Sub Committee meetings during the year.

Review of effectiveness of the board of governors

The effectiveness of the board of governors has been reviewed by the accounting officer of Salterlee Primary Academy Trust. It is considered that the board have been effective in ensuring that the school continues to provide a high quality of education for the children of the Shibden Valley and surrounding area. Through the diligent management of resources and well placed challenge of school leaders, this has been achieved in spite of increased budgetary pressures.

Review of Value for Money

As accounting officer of Salterlee Primary Academy Trust, the head teacher is responsible and accountable for ensuring that the academy trust delivers good value in the use of public resources. They are aware of the guide to academy value for money statements published by the Education and Skills Funding Agency and understand 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 the academic year, and reports to the board of governors where value for money can be improved. The accounting officer for the academy trust has delivered value for money during the year by:

Collaboration

The trust has worked in close partnership with other schools to reduce the overall cost of professional development. In particular the school is currently working with others within the East Calderdale Schools Cluster to re-design the curriculum to better meet the requirements of the new framework for school inspection. The school has also continued to invest more resources in network collaboration across many areas of school life. These include SENCO Forum; Bursars Network; Caretakers Network; English and Maths Leader Networks and Early Years Network. The impact of this is that the school is now better placed to share school to school support. A member of the Governing Body now supports the wider education community by representing Academies on the Calderdale Schools' Forum and the Headteacher now sits on the Cluster Board.

In particular the school has continued to work with other schools in the Exceed SCITT Partnership to train new teachers. This has been a successful year with the partnership being judged Outstanding in its Ofsted Inspection.

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

GOVERNANCE STATEMENT *(continued)*

YEAR ENDED 31 AUGUST 2019

Overall Standards

Results from statutory assessments show that overall attainment of pupils in both Key Stages 1 is above the national average. Progress in KS 2 was average in Reading and Maths, but below average in Writing.

Partnerships

The school has continued to undertake significant improvements to outdoor provision through securing the donations of financial and labour resources from local businesses most notably Lloyds Bank and the Northowram Educational Charity.

Financial governance and oversight

The trust's Finance and Resource Committee have provided good oversight of school leadership. In particular they have provided the required challenge to discourage unnecessary surpluses from developing by ensuring budget commitments are made to meet the needs of the school development plan.

Maximising income generation

To maximise income generation the trust has begun buying in school lunches from Trinity MAT. This has enabled the school to let out the previous dining hall to Salterlee Under Fives on a full-time basis. As a result of this income will sharply increase in 2019/20.

Reviewing controls and managing risks

The trust has a robust finance department which ensures financial policies are in place and adhered to, with tight financial controls which are monitored both internally by the bursar and externally via our Internal Audit Reviewer at Calderdale Council and our external auditors Spenser Wilson.

We set clear annual budgets which are monitored against actual spend on monthly budget reports.

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 Salterlee Academy Trust Limited for the period 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. The Academy takes all necessary precautions when employing staff, ensuring that DBS checks are carried out and references obtained for new members of staff. A single central record of staff is kept and supply agencies have given assurances that they too carry out necessary checks.

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GOVERNANCE STATEMENT *(continued)*

YEAR ENDED 31 AUGUST 2019

Capacity to handle risk

The governing body has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The governing body is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the governing body.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the governing body;
- regular reviews by the Finance and Resource Committee of reports which indicate financial performance against the forecasts of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The governing body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. The work this year has been carried out by A Stewart, a member of the Calderdale Local Authority audit department. The Internal Audit Reviewer's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. On a termly basis, the Internal Audit Reviewer reports to the governing body on the operation of the systems of control and on the discharge of the governing body's financial responsibilities.

During the year there were three internal audit reviews covering the areas of purchasing, payroll and personnel and information governance. The findings were discussed at the Finance Committee meetings. No significant areas of concern were noted.

Review of effectiveness of accounting systems

As accounting officer, the Headteacher 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 Internal Audit Reviewer;
- the work of the external auditor; and
- the work of the senior management team within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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GOVERNANCE STATEMENT *(continued)*

YEAR ENDED 31 AUGUST 2019

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and 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 governing body on 16 December 2019 and signed on its behalf by:



C WIDDOP
Chair



M SCOTT
Accounting Officer

SALTERLEE ACADEMY TRUST LIMITED

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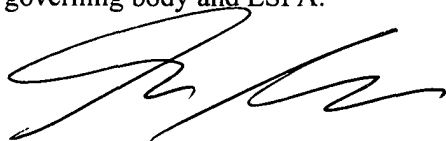
STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

YEAR ENDED 31 AUGUST 2019

As accounting officer of Salterlee Academy Trust Limited I have considered my responsibility to notify the governing body and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration, I have had due regard to the requirements of the Academies Financial Handbook 2018.

I confirm that I and the Academy Trust governing body are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2018.

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



M SCOTT
Accounting Officer
16 December 2019

SALTERLEE ACADEMY TRUST LIMITED

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STATEMENT OF TRUSTEES' RESPONSIBILITIES

YEAR ENDED 31 AUGUST 2019

The trustees, who act as governors of Salterlee Academy Trust Limited 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 Academies Accounts Direction published by the Education & 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 statement 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:

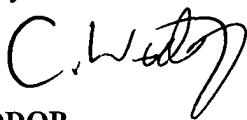
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP (2015) and the Academies Accounts Direction 2018 to 2019;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable 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 charity 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 charity 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 confirm with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the board of trustees on 16 December 2019 and signed on its behalf by :



C WIDDOP
Chair

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES OF SALTERLEE ACADEMY TRUST LIMITED

YEAR ENDED 31 AUGUST 2019

OPINION

We have audited the financial statements of Salterlee Academy Trust Limited (the 'charitable company') for the year ended 31 August 2019 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law 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)" and the Academies Accounts Direction issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006;
- have been prepared in accordance with the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019.

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.

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
 - the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.
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SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SALTERLEE ACADEMY TRUST LIMITED *(continued)*

YEAR ENDED 31 AUGUST 2019

OTHER INFORMATION

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

In connection with our audit of the financial statements, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the trustees' report, which includes the directors' report and strategic report, prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included in the trustees' report.

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

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

COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SALTERLEE ACADEMY TRUST LIMITED *(continued)*

YEAR ENDED 31 AUGUST 2019

RESPONSIBILITIES OF TRUSTEES

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

In preparing the financial statements, the trustees are responsible for assessing the 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. A further description of our responsibilities for the audit is located on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>.

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with sections 495 and 496 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.



SALLY SHACKLOCK (Senior Statutory Auditor)

For and on behalf of
Spenser Wilson Ltd
Chartered Accountants and Statutory Auditor
Equitable House
55 Pellon Lane
Halifax
West Yorkshire
HX1 5SP

16 December 2019

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

INDEPENDENT REPORTING ACCOUNTANT'S ASSUANCE REPORT ON REGULARITY TO THE BOARD OF TRUSTEES OF SALTERLEE ACADEMY TRUST LIMITED AND THE EDUCATION & SKILLS FUNDING AGENCY

YEAR ENDED 31 AUGUST 2019

In accordance with the terms of our engagement letter dated 27 November 2017 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Salterlee Academy Trust Limited during the year ended 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Salterlee Academy Trust Limited and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Salterlee Academy Trust Limited and the 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 Salterlee Academy Trust Limited and the ESFA for our work, for this report, or for the conclusions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE ACCOUNTING OFFICER AND REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of Salterlee Academy Trust Limited's funding agreement with the Secretary of State for Education dated 1 September 2011 and the Academies Financial Handbook extant from 1 September 2018, 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 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that, in all material respects, expenditure disbursed and income received during the year ended 31 August 2019 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 Academies Accounts Direction 2018 to 2019 issued by the 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.

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

INDEPENDENT REPORTING ACCOUNTANT'S ASSUANCE REPORT ON REGULARITY TO THE BOARD OF TRUSTEES OF SALTERLEE ACADEMY TRUST LIMITED AND THE EDUCATION & SKILLS FUNDING AGENCY*(continued)*

YEAR ENDED 31 AUGUST 2019

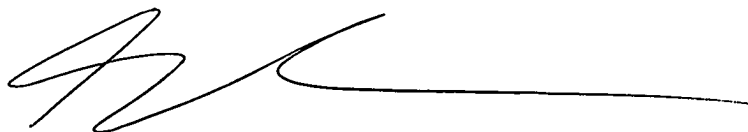
The work undertaken to draw to our conclusions includes:

- Reviewing source documentation relating to grant income and related expenditure incurred;
- A review of systems and procedures;
- Substantive testing as considered appropriate;
- Making enquiries regarding the existence of non-contractual payments

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 year ended 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

- In accordance with the Finance and Resources Term of Reference, the Governors should obtain three written quotations for expenditure in between £10,000 and £60,000. We were not able to see any evidence that this process had been followed in relation to the purchase of a minibus in the year.



SALLY SHACKLOCK (Reporting Accountant)

For and on behalf of
Spenser Wilson Ltd
Chartered Accountants and Statutory Auditor
Equitable House
55 Pellon Lane
Halifax
West Yorkshire
HX1 5SP

16 December 2019

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 AUGUST 2019

		2019			2018
	Note	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Income					
Donations and capital grants	5	720	–	26,405	27,125
Funding for the Academy's educational operations	6	31,395	475,255	–	506,650
Other trading activities	7	11,993	–	–	11,993
Investment income	8	412	–	–	412
Other income	9	–	–	1,000	1,000
Total income		<u>44,520</u>	<u>475,255</u>	<u>27,405</u>	<u>547,180</u>
Expenditure					
Expenditure on raising funds:					
Costs of generating voluntary income	10	17,912	20,481	–	38,393
Expenditure on charitable activities	11,12	26,036	522,827	28,256	577,119
Total expenditure		<u>43,948</u>	<u>543,308</u>	<u>28,256</u>	<u>615,512</u>
Net expenditure		<u>572</u>	<u>(68,053)</u>	<u>(851)</u>	<u>(68,332)</u>
Other recognised gains and losses					
Actuarial (losses)/gains on defined benefit pension schemes		–	(149,000)	–	(149,000)
Net movement in funds		<u>572</u>	<u>(217,053)</u>	<u>(851)</u>	<u>(217,332)</u>
Reconciliation of funds					
Total funds brought forward		56,175	(134,719)	773,499	694,955
Total funds carried forward		<u>56,747</u>	<u>(351,772)</u>	<u>772,648</u>	<u>694,955</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 24 to 42 form part of these financial statements.

SALTERLEE ACADEMY TRUST LIMITED

(Company Registration Number: 07712946)

COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL POSITION

31 AUGUST 2019

		2019		2018	
	Note	£	£	£	£
FIXED ASSETS					
Tangible fixed assets	18		765,834		769,904
CURRENT ASSETS					
Debtors	19	21,902		17,959	
Investments	20	51,688		51,335	
Cash at bank and in hand		3,034		28,669	
		<u>76,624</u>		<u>97,963</u>	
CREDITORS: amounts falling due within one year	21	<u>25,835</u>		<u>19,912</u>	
NET CURRENT ASSETS			<u>50,789</u>		<u>78,051</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			816,623		847,955
PENSIONS	23		339,000		153,000
NET ASSETS			<u>477,623</u>		<u>694,955</u>
FUNDS OF THE CHARITY					
Restricted fixed asset funds			772,648		773,499
Restricted funds			(351,772)		(134,719)
Unrestricted funds			<u>56,747</u>		<u>56,175</u>
Total charity funds	24		<u>477,623</u>		<u>694,955</u>

These financial statements were approved by the trustees and authorised for issue on 16 December 2019, and are signed on their behalf by:



M SCOTT
Accounting officer

The notes on pages 24 to 42 form part of these financial statements.

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

STATEMENT OF CASH FLOWS

31 AUGUST 2019

	2019	2018
	£	£
CASH FLOWS FROM OPERATING ACTIVITIES		
Net expenditure	(68,332)	(54,941)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	28,256	24,844
Other interest receivable and similar income	(412)	(260)
Pension service and finance costs	37,000	25,000
Accrued expenses/(income)	233	(935)
<i>Changes in:</i>		
Trade and other debtors	(3,943)	1,933
Trade and other creditors	5,690	(12,935)
Cash generated from operations	(1,508)	(17,294)
Interest received	412	260
Net cash used in operating activities	<u>(1,096)</u>	<u>(17,034)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of tangible assets	(24,186)	(6,723)
Net cash used in investing activities	<u>(24,186)</u>	<u>(6,723)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(25,282)	(23,757)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	80,004	103,761
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>54,722</u>	<u>80,004</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR		
Cash at bank and in hand	3,034	28,669
Current asset investments	51,688	51,335
TOTAL CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>54,722</u>	<u>80,004</u>

The notes on pages 24 to 42 form part of these financial statements.

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2019

1. GENERAL INFORMATION

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Kell Lane, Shibden, Halifax, HX3 7AY.

2. STATEMENT OF COMPLIANCE

These 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 the 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 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

3. ACCOUNTING POLICIES

Going concern

The governors assess whether the use of the going-concern basis 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 governors make this assessment in respect of a period of one year from the date of approval of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

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 and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 AUGUST 2019

3. ACCOUNTING POLICIES *(continued)*

full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. 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.

Taxation

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

Fund accounting

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

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

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

Incoming resources

All incoming receipts are recognised when the academy trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

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 fund 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 unspent amount is reflected as a balance in the restricted fund.

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

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 AUGUST 2019

3. ACCOUNTING POLICIES *(continued)*

Donations

Donations are included in the statement of financial activities on a cash-received basis or on an accruals basis where they are assured with reasonable certainty and are receivable at the balance sheet date.

Land and buildings

The premises occupied by the school are owned freehold by Salterlee Academy Trust Limited. The buildings have been capitalised at the value by the EFA during the valuation exercise of August 2012 and the same amount treated as incoming resources within the SOFA.

Interest receivable

Interest receivable is included within the statement of financial activities on a receivable basis.

Resources expended

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings, they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the apportionment of time of use of the building and its resources.

Costs of generating funds

These are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities

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

All resources expended are inclusive of irrecoverable VAT.

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight line basis over the lease term.

Fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Where tangible fixed assets have been acquired with the aid of specific grants, either from the Government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic lives. 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 such assets is charged to the restricted fixed asset fund in the statement of financial activities, so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy's depreciation policy.

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 AUGUST 2019

3. ACCOUNTING POLICIES *(continued)*

Depreciation

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

Freehold property	- 50 years and 10 years
Motor vehicles	- 4 years
Computer equipment and software	- 3 years/15% straight line

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

Financial instruments

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

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

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.

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 AUGUST 2019

3. ACCOUNTING POLICIES *(continued)*

Pension 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.

The TPS is an unfunded scheme and contributions are calculated so as 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 on the basis of quadrennial valuations using a prospective credit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded 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 operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs. 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.

4. LIMITED BY GUARANTEE

Each member of the charitable company undertakes to contribute to the assets of the 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.

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 AUGUST 2019

5. DONATIONS AND CAPITAL GRANTS

	Unrestricted Funds £	Restricted Funds £	Restricted fixed asset funds £	Total Funds 2019 £
DONATIONS				
Other donations	720	–	19,101	19,821
GRANTS				
Devolved formula capital grant	–	–	7,304	7,304
	<u>720</u>	<u>–</u>	<u>26,405</u>	<u>27,125</u>

	Unrestricted Funds £	Restricted Funds £	Restricted fixed asset funds £	Total Funds 2018 £
DONATIONS				
Other donations	–	1,000	–	1,000
GRANTS				
Devolved formula capital grant	–	–	5,125	5,125
	<u>–</u>	<u>1,000</u>	<u>5,125</u>	<u>6,125</u>

6. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Training and mentoring	1,281	–	1,281
Contributions to trips	8,742	–	8,742
General Annual Grant	–	415,365	415,365
Other DfE/ESFA grants	–	59,201	59,201
Out of school club	21,372	–	21,372
Insurance claim	–	689	689
	<u>31,395</u>	<u>475,255</u>	<u>506,650</u>

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 AUGUST 2019

6. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
Training and mentoring	1,500	—	1,500
Contributions to trips	8,440	—	8,440
General Annual Grant	—	415,236	415,236
Other DfE/ESFA grants	—	54,073	54,073
Out of school club	22,694	—	22,694
Insurance claim	—	6,095	6,095
	<u>32,634</u>	<u>475,404</u>	<u>508,038</u>

7. OTHER TRADING ACTIVITIES

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Hire of facilities	1,200	1,200	1,200	1,200
Catering income	8,061	8,061	11,145	11,145
Uniform sales	2,732	2,732	3,342	3,342
	<u>11,993</u>	<u>11,993</u>	<u>15,687</u>	<u>15,687</u>

8. INVESTMENT INCOME

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Bank interest receivable	412	412	260	260

9. OTHER INCOME

	Restricted fixed asset funds £	Total Funds 2019 £	Restricted fixed asset funds £	Total Funds 2018 £
Gain on disposal of tangible fixed assets held for charity's own use	1,000	1,000	—	—

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 AUGUST 2019

10. COSTS OF GENERATING VOLUNTARY INCOME

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Catering staff costs	8,715	11,883	20,597
Catering purchases and other costs	6,305	8,598	14,903
Uniform purchases	2,892	—	2,892
	<u>17,912</u>	<u>20,481</u>	<u>38,392</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
Catering staff costs	6,055	6,709	12,764
Catering purchases and other costs	7,205	7,983	15,188
Uniform purchases	3,363	—	3,363
	<u>16,623</u>	<u>14,692</u>	<u>31,315</u>

11. EXPENDITURE ON CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds £	Restricted Funds £	Restricted fixed asset funds £	Total Funds 2019 £
Teaching and educational support staff costs	—	325,209	—	325,209
Educational supplies	—	35,039	—	35,039
Visit and trips	7,901	—	—	7,901
Out of school club	18,135	—	—	18,136
Support costs	—	162,579	28,256	190,834
	<u>26,036</u>	<u>522,827</u>	<u>28,256</u>	<u>577,119</u>

	Unrestricted Funds £	Restricted Funds £	Restricted fixed asset funds £	Total Funds 2018 £
Teaching and educational support staff costs	—	315,815	—	315,815
Educational supplies	—	39,169	—	39,169
Visit and trips	9,880	—	—	9,880
Out of school club	16,053	—	—	16,052
Support costs	—	147,975	24,844	172,820
	<u>25,933</u>	<u>502,959</u>	<u>24,844</u>	<u>553,736</u>

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 AUGUST 2019

12. EXPENDITURE ON CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Activities undertaken directly	Support costs	Total funds 2019	Total fund 2018
	£	£	£	£
Teaching and educational support staff costs	325,209	148,290	473,499	457,990
Educational supplies	35,039	—	35,039	39,169
Visit and trips	7,901	—	7,901	9,880
Out of school club	18,136	—	18,136	16,052
Governance costs	—	42,544	42,544	30,645
	<u>386,285</u>	<u>190,834</u>	<u>577,119</u>	<u>553,736</u>

13. ANALYSIS OF SUPPORT COSTS

	Educational operations	Total 2019	Total 2018
	£	£	£
Premises	8,621	8,621	10,900
Communications and IT	274	274	881
General office	28,256	28,256	24,635
Finance costs	53	53	28
Governance costs	21,491	21,491	21,204
Support staff costs	72,934	72,934	73,150
Cleaning	1,419	1,419	1,593
Rent and rates	5,394	5,394	4,413
Insurance	2,288	2,288	2,157
Heat and light	7,559	7,559	8,224
Audit	3,700	3,700	3,675
Actuarial fees	270	270	445
FRS 17 service and finance costs	37,000	37,000	25,000
Accountancy	1,575	1,575	1,525
	<u>190,834</u>	<u>190,834</u>	<u>177,830</u>

14. NET EXPENDITURE

Net expenditure is stated after charging/(crediting):

	2019	2018
	£	£
Depreciation of tangible fixed assets	28,256	24,844
Gains on disposal of tangible fixed assets	(1,000)	—
Operating lease rentals	—	414

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 AUGUST 2019

15. AUDITORS REMUNERATION

	2019	2018
	£	£
Fees payable for the audit of the financial statements	<u>3,700</u>	<u>3,675</u>
Fees payable to the charity's auditor and its associates for other services: Other non-audit services	<u>1,575</u>	<u>1,525</u>

16. STAFF COSTS

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2019	2018
	£	£
Wages and salaries	357,165	341,600
Social security costs	22,576	19,829
Employer contributions to pension plans	48,648	46,816
Redundancy payments	<u>6,626</u>	<u>—</u>
	<u>435,015</u>	<u>408,245</u>

The average head count of employees during the year was 23 (2018: 22). The average number of full-time equivalent employees during the year is analysed as follows:

	2019	2018
	No.	No.
Teachers	4	4
Administration and support	8	10
Management	<u>1</u>	<u>1</u>
	<u>13</u>	<u>15</u>

The number of employees whose remuneration for the year fell within the following bands, were:

	2019	2018
	No.	No.
£60,000 to £69,999	<u>1</u>	<u>1</u>

Key Management Personnel

The key management personnel of the Academy Trust comprise the trustees and the senior management team as listed on page 3. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £104,114 (2018: £87,261).

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 AUGUST 2019

17. TRUSTEE REMUNERATION AND EXPENSES

One or more trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Head teacher and staff governors only receive remuneration in respect of services they provide undertaking the roles of Headteacher and teacher and not in respect of their services as governors. Other governors did not receive any payments from the Academy Trust in respect of their role as governors.

The value of the Headteacher's remuneration was between £55,000 and £60,000 in the period. The value of employer's pension contributions for the Headteacher was between £5,000 and £10,000.

No expenses have been paid to the governors in the year. Related party transactions involving the trustees are set out in note 26.

Trustees and officers insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. This has been purchased as part of the ESFA's Risk Protection Arrangement for academy trusts and the insurance provides cover up to £10,000,000 on any one claim and the cost for the period ended 31 August 2019 was £2,020 (2018 - £2,000). The cost of this insurance is included in the total insurance cost.

18. TANGIBLE FIXED ASSETS

	Freehold property £	Motor vehicles £	Equipment £	Total £
Cost				
At 1 September 2018	848,046	48,607	47,090	943,743
Additions	3,813	15,000	5,373	24,186
Disposals	—	(20,203)	—	(20,203)
At 31 August 2019	851,859	43,404	52,463	947,726
Depreciation				
At 1 September 2018	97,707	43,873	32,259	173,839
Charge for the year	15,134	7,172	5,950	28,256
Disposals	—	(20,203)	—	(20,203)
At 31 August 2019	112,841	30,842	38,209	181,892
Carrying amount				
At 31 August 2019	739,018	12,562	14,254	765,834
At 31 August 2018	750,339	4,734	14,831	769,904

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 AUGUST 2019

19. DEBTORS

	2019	2018
	£	£
Prepayments and accrued income	18,539	15,130
Other debtors	3,363	2,829
	<u>21,902</u>	<u>17,959</u>

20. INVESTMENTS

	2019	2018
	£	£
Bank deposits	<u>51,688</u>	<u>51,335</u>

21. CREDITORS: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	159	58
Accruals and deferred income	25,604	19,854
Other creditors	72	–
	<u>25,835</u>	<u>19,912</u>

22. DEFERRED INCOME

	2019	2018
	£	£
At 1 September 2018	13,391	13,683
Amount released to income	(13,391)	(13,683)
Amount deferred in year	18,908	13,391
At 31 August 2019	<u>18,908</u>	<u>13,391</u>

At the balance sheet date the Academy Trust held funds received in advance for Universal Infant Free School Meals £11,152, Pupil Premium £685 and Devolved Formula Capital £7,071 which all relate to monies in advance for the 2019/2020 financial year.

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 AUGUST 2019

23. PENSIONS

	Pensions and similar obligations £
At 1 September 2018	153,000
Charge against provision	186,000
At 31 August 2019	<u>339,000</u>

The Academy'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 the West Yorkshire Pension Fund. 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 2012 and of the LGPS 31 March 2016. There were no outstanding or prepaid contributions at either the beginning or the end of the financial period.

Teachers' Pension Scheme

The TPS is a statutory, contributory, defined benefit scheme governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or change of contract, although they are able to opt out. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchanger. 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. 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 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The Valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- Employer contributions set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%).
 - Total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million.
 - An employer cost cap of 10.9% of pensionable pay will be applied to future valuations.
 - The assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.
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SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 AUGUST 2019

23. PENSIONS *(continued)*

The TPS valuation for 2012 determined an employer rate of 16.48%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 September 2019.

The employer's pension cost paid to TPS in the period amounted to £31,720 (2018 - £31,307).

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

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

Local Government Pension Scheme

The LGPS is a funded, defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £26,000 (2018 - £25,000), of which employer's contributions totalled £18,000 (2018 - £17,000) and employees' contributions totalled £8,000 (2018 - £8,000). The agreed contribution rates for future years are 16.48% for employers, and tiered FTE based percentage for employees.

As the scheme is in deficit, additional contributions were made of £600 in 2017/18 and 2018/19. Further additional contributions of £600 are required for the next financial year ending 2019/20.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of Academy closure, outstanding local government pension scheme liabilities will be met by the Department for Education. The guarantee came into force on 18 July 2013.

	At 31 August 2019	At 31 August 2018
Principal Actuarial Assumptions		
Rate of increase in salaries	3.25%	3.25%
Rate of increase for pension in payment / inflation	2.00%	2.00%
Discount rate for scheme liabilities	1.90%	2.80%
Inflation assumption (CPI)	2.00%	2.00%
RPI Inflation	3.00%	3.10%

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 AUGUST 2019

23. PENSIONS *(continued)*

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

	2019 Years	2018 Years
Retiring today		
Males	22.2	22.1
Females	25.4	25.3
Retiring in 20 years		
Males	23.2	23.1
Females	27.2	27.1

Sensitivity Analysis

	2019 £	2018 £
Discount rate +0.1%	661,000	491,000
Discount rate -0.1%	(699,000)	(519,000)
Mortality assumption - 1 year increase	702,000	520,000
Mortality assumption - 1 year decrease	(658,000)	(490,000)
CPI rate +0.1%	684,000	508,000
CPI rate -0.1%	(676,000)	(502,000)

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

	Year ended 31/08/2019	Year ended 31/08/2018 £
Equities	265,000	262,000
Government Bonds	36,000	38,000
Corporate Bonds	15,000	12,000
Cash	6,000	8,000
Other	4,000	17,000
Property	15,000	15,000
Total market value of assets	<u>341,000</u>	<u>352,000</u>

The actual return on the scheme assets was a loss £31,000 (2018 - £18,000 gain).

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 AUGUST 2019

23. PENSIONS *(continued)*

Amounts recognised in the Statement of Financial Activities:

	2019	2018
	£	£
Current service cost (net of employee contributions)	37,000	38,000
Past service cost	14,000	–
Net interest cost	4,000	4,000
Total operating charge	<u>55,000</u>	<u>42,000</u>

Movements in the present value of defined benefit obligations

	2019	2018
	£	£
Opening defined benefit liabilities	505,000	477,000
Current service cost	37,000	38,000
Interest cost	14,000	12,000
Employee contributions	8,000	8,000
Actuarial (gain)/loss	180,000	(26,000)
Benefits paid	(6,000)	(4,000)
Past service cost	14,000	–
Closing defined benefit liabilities	<u>680,000</u>	<u>505,000</u>

Movements in the fair value of the Academy's share of scheme assets

	2019	2018
	£	£
Opening fair value	352,000	313,000
Interest income	10,000	8,000
Remeasurement gain/loss	(41,000)	10,000
Employer contributions	18,000	17,000
Employer contributions	8,000	8,000
Benefits paid	(6,000)	(4,000)
Closing fair value	<u>341,000</u>	<u>352,000</u>

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 AUGUST 2019

24. ANALYSIS OF CHARITABLE FUNDS

Unrestricted funds

	At 1 Sept 2018 £	Income £	Expenditure £	Gains and losses £	At 31 Aug 2019 £
General funds	56,175	44,520	(43,948)	—	56,747

	At 1 Sept 2017 £	Income £	Expenditure £	Gains and losses £	At 31 Aug 2018 £
General funds	50,150	48,581	(42,556)	—	56,175

Unrestricted funds represent all income and expenditure generated by the school's voluntary activities such as catering, after school care and external services provided.

Restricted funds

	At 1 Sept 2018 £	Income £	Expenditure £	Gains and losses £	At 31 Aug 2019 £
General Annual Grant (GAG)	13,769	415,365	(446,418)	—	(17,284)
Other DfE/ESFA grant	4,512	59,201	(59,201)	—	4,512
Pension	(153,000)	—	(37,000)	(149,000)	(339,000)
Insurance claims	—	689	(689)	—	—
	<u>(134,719)</u>	<u>475,255</u>	<u>(543,308)</u>	<u>(149,000)</u>	<u>(351,772)</u>

	At 1 Sept 2017 £	Income £	Expenditure £	Gains and losses £	At 31 Aug 2018 £
General Annual Grant (GAG)	25,016	422,176	(433,423)	—	13,769
Other DfE/ESFA grant	4,512	47,134	(47,134)	—	4,512
Other grants	5,000	—	(5,000)	—	—
Pension	(164,000)	—	(25,000)	36,000	(153,000)
Insurance claims	—	6,095	(6,095)	—	—
Donations	—	1,000	(1,000)	—	—
Minibus Fund	—	—	—	—	—
	<u>(129,472)</u>	<u>476,405</u>	<u>(517,652)</u>	<u>36,000</u>	<u>(134,719)</u>

There is an overspend in the GAG due to unexpected pupil requirements which required an additional member of staff for a period of time. The school has secured additional funding in the current year through increased pupil numbers and from renting out the former dining hall to be able to keep within budget in the current year.

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 AUGUST 2019

24. ANALYSIS OF CHARITABLE FUNDS *(continued)*

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

1. 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 2019.
2. Other DfE/ESFA grants includes £19,967 which was received for providing Physical Education, £18,856 which was received to aid with the delivery of Universal Infant Free School Meals (UIFSM), £9,731 which was received to fund additional support for pupils with special educational needs, £9,287 Pupil premium and £1,360 rates refund.
3. The pension reserve represents the deficit attributed to the Academy as an employer as detailed in note 23.

Restricted fixed asset funds

	At 1 Sept 2018 £	Income £	Expenditure £	Gains and losses £	At 31 Aug 2019 £
Transfer from local authority	665,283	–	(13,167)	–	652,116
DfE/ESFA capital grants	98,320	7,304	(6,994)	–	98,630
Capital expenditure from GAG	9,896	–	(3,298)	–	6,598
Other income	–	20,101	(3,438)	–	16,663
	<u>773,499</u>	<u>27,405</u>	<u>(28,256)</u>	<u>–</u>	<u>772,648</u>

	At 1 Sept 2017 £	Income £	Expenditure £	Gains and losses £	At 31 Aug 2018 £
Transfer from local authority	678,660	–	(13,377)	–	665,283
DfE/ESFA capital grants	101,364	5,125	(8,169)	–	98,320
Capital expenditure from GAG	13,194	–	(3,298)	–	9,896
	<u>793,218</u>	<u>5,125</u>	<u>(24,844)</u>	<u>–</u>	<u>773,499</u>

Other income is private donations received from Northowram Educational Trust of £1,000, which was used to assist in the purchase of garden artificial grass, £11,000 donation received from Friends of Salterlee School (FOSS) and £7,101 from the 100 Club for the purchase of a Minibus. There is also a gain of £1,000 on the disposal of a minibus.

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 AUGUST 2019

25. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Restricted fixed asset funds £	Total Funds 2019 £
Tangible fixed assets	–	–	765,834	765,834
Current assets	56,747	13,062	6,814	76,623
Creditors less than 1 year	–	(25,834)	–	(25,834)
Defined benefit pension	–	(339,000)	–	(339,000)
Net assets	<u>56,747</u>	<u>(351,772)</u>	<u>772,648</u>	<u>477,623</u>

	Unrestricted Funds £	Restricted Funds £	Restricted fixed asset funds £	Total Funds 2018 £
Tangible fixed assets	–	–	769,904	769,904
Current assets	56,175	38,135	3,595	97,905
Creditors less than 1 year	–	(19,854)	–	(19,854)
Defined benefit pension	–	(153,000)	–	(153,000)
Net assets	<u>56,175</u>	<u>(134,719)</u>	<u>773,499</u>	<u>694,955</u>

26. RELATED PARTIES

Owing to the nature of the Academy's operations and the composition of the board of governors being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations and individuals in which a member of the board of governors may have an interest. All transactions involving such organisations are conducted in accordance with the Academy's financial regulations and normal procurement procedures.

Mark Scott was also a trustee of Salterlee Under 5s, a Charity registered in England & Wales (charity no 1033440), during the year. Salterlee Under 5s uses school premises and pays a rent to the Academy of £400 per school term.

All related party transactions have been conducted on an arms' length basis.