



Salterlee Academy Trust Limited

(Company Limited by Guarantee)

FINANCIAL STATEMENTS

31 AUGUST 2021

Company Registration Number 07712946



Spenser Wilson
Chartered Accountants & Business Advisers

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2021

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SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

REPORT OF THE GOVERNORS (INCORPORATING THE DIRECTORS' REPORT)

YEAR ENDED 31 AUGUST 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Local authority Calderdale

Company registration number 07712946

Principal office and registered Office Kell Lane
Shibden
Halifax
HX3 7AY

The governors	Diane Cooper	Co-opted Governor	
	Mark Scott	Ex officio Governor	
	Deborah Collet	Staff Governor	(Died 27 March 2021)
	Chris Widdop	Parent Governor	
	Schail Rashid	Member	(Reigned 10 Sept 2021)
	Jayne Golding-Smith	Parent Governor	
	Lisa Radcliffe	Parent Governor	
	Felicity Sutcliffe	Community Governor	

Members Chris Widdop
Jayne Golding-Smith
Lisa Radcliffe

Accounting officer Mark Scott

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

Bankers Yorkshire Bank
7 Waterhouse Street
Halifax
West Yorkshire
HX1 1XZ

Solicitors Wilkinson Woodward
11 Fountain Street
Halifax
West Yorkshire
HX1 1LU

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

YEAR ENDED 31 AUGUST 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Governors, who are also the directors for the purposes of company law, present their report and the financial statements of the charitable company for the year ended 31 August 2021.

Salterlee Academy Trust Ltd is a primary academy for pupil aged 4-11. It is based in West Yorkshire and has a pupil capacity of 106. In the school census in May 2021 the academy had a roll of 103 pupils.

Constitution

The Academy Trust 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 charitable 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 Governors 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 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.

Organisational structure

The structure 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 2021

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

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

Arrangements for setting pay and remuneration of key management personnel

The arrangements and range of remuneration packages for key management personnel are set by the Governors and managed operationally by the Headteacher who reviews them throughout the year and in full annually. This role is held to account through Performance Management Committee of the Governing Body.

The Headteacher's performance management is managed by the school improvement partner with decisions on pay progression made by the Headteacher's Performance Management Sub-committee of the governing body.

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 2021 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 challenge 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 inquiring minds and the ability to ask questions.
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REPORT OF THE GOVERNORS (INCORPORATING THE DIRECTORS' REPORT) *(continued)*

YEAR ENDED 31 AUGUST 2021

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

After-School Provision

The Academy Trust runs an Out of School Club (OOSC) during term times providing both morning and after-school care for children who attend Salterlee Primary School. The finances of the OOSC fall under the remit of the Academy Trust'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 Academy Trust aims to provide the best possible education to pupils from the Shibden Valley and surrounding areas.

The Academy Trust 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 Salterlee Academy Trust is exposed to, in particular those relating to the specific teaching, provision of facilities and other operational areas of Salterlee Academy Trust, 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.

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YEAR ENDED 31 AUGUST 2021

- 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 (see below) in order to minimise risk. Where significant financial risk still remains, they have ensured that they have adequate insurance cover. The Academy Trust 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 Trust 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 2021 numbered 104; this is split between the year groups as follows:

Reception	14
Y1	16
Y2	14
Y3	16
Y4	14
Y5	15
Y6	15

The Academy Trust has obtained agreement from the Department for Education (DfE) to admit 16 pupils in each year from September 2019.

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 2021, statutory assessments were cancelled due to the coronavirus pandemic. However, learning continued throughout the lockdown with the school making use of the Google Classroom remote learning platform.

Monitoring of levels of engagement showed that parents were supported well to ensure that pupils could continue with their studies. Close evaluation of the metrics of the online learning platform enabled leaders to quickly identify where levels of engagement with remote education were below expected and this enabled the school to quickly identify pupils who were vulnerable to falling behind. In response to this the school were able to provide additional support, either by providing daily video 'catch-up' meetings or in some cases inviting those pupils into school to complete their learning face-to-face. Emergency childcare for the children of key workers and vulnerable children was also provided throughout the lockdown.

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YEAR ENDED 31 AUGUST 2021

The school was successful in mitigating against the spread of the virus throughout the year. Rigorous planning and risk assessment contributed to the school only needing to close 'bubbles' on two occasions which meant that the learning of its pupils was kept to a minimum. Outside of lockdowns attendance rates were above average and this contributed to the school being able to focus on educational recovery.

To promote healthy lifestyles the school worked throughout the year with the authority's 'Better Living Team' and this work was continued during the lockdown with daily physical education activities posted on the school's remote learning platform.

Priorities for 2021/22

Context:

Following the disruption to school caused by the pandemic over the last two academic years, the following priorities have been identified with the intention of raising the overall effectiveness of the Academy Trust. Key challenges to the school are its limited resources in terms of both funding and staffing, with teachers being responsible for leading multiple subjects/areas.

Although the plan currently contains a total of 14 Key Performance Indicators, these combine to focus on three key priorities which leaders have identified for improvement:

Priority 1 - CURRICULUM:

To provide the resources and support that subject leaders need to improve the quality of education in their curriculum areas without unfairly increasing their workloads.

Priority 2 - EDUCATIONAL RECOVERY:

To ensure that all pupils and in particular those who are disadvantaged, vulnerable or have SEND, are able to 'catch-up' on their learning in order to be ready for the next stages of their education.

Priority 3 - PERSONAL DEVELOPMENT:

To ensure the broader development of all pupils enables them to be confident, resilient and independent with strong characters.

Whilst the school intends to secure improvement in all subjects, the key focus points will be upon **Reading, Maths and PSHE (including RHSE)** as these have been identified as instrumental to achieving all three of the priorities above.

FINANCIAL REVIEW

Going concern

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

The restricted income fund has a deficit of £469,648 (2020 - £417,636). This is due to a recognised pension deficit of £481,000 (2020 - £409,000).

Pension deficit

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YEAR ENDED 31 AUGUST 2021

The pension fund reserve shows a deficit of £481,000 (2020 - £409,000), which has arisen due to prior contribution levels and changes in the general economic environment.

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.

Financial report for the period

Most of the Academy Trust'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 2021 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Academy Trust also receives grants for fixed assets from the DfE. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2019), such grants are shown in the Statement of Financial Activities as restricted income in the Restricted 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 2021, the deficit of total income over total expenditure for the period (including restricted fixed asset funds and pension deficit) was £65,871 (2020 - £105,699).

At 31 August 2021 the net book value of fixed assets was £722,276 (2020 - £741,019) and movements in tangible fixed assets are shown in note 17 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 Trust 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 period ending August 2021. The Governors review the reserves policy annually in December each year.

Current reserves, excluding restricted fixed asset funds and the pension liability, are £46,593 which equates to 7.62%. (2020 - 4.39%) The Academy Trust currently does not meet the criteria for accessing funds from the Conditions Improvement Fund (CIF) therefore, 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 should there be lower pupil numbers. The Governors are looking to achieve increased funding from rental of the school hall.

Where the Academy Trust holds unrestricted reserves, it is the Governors' policy to apply these resources to meet the spending priorities determined by the Governing Body. The Academy Trust's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £35,242 (2020 - £32,526).

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

YEAR ENDED 31 AUGUST 2021

Investment Policy

The Academy Trust 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 Trust 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 2021 of £306,053, comprising £740,459 restricted fixed asset fund, £(469,648) of restricted funds (including a pension reserve deficit of £481,000) and £35,242 of unrestricted general funds.

Fundraising

The Academy Trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Governors.

PLANS FOR FUTURE PERIODS

The Governors' plans for the future include:

Curriculum:

To provide the resources and support that subject leaders need to improve the quality of education in their curriculum areas without unfairly increasing their workloads.

Educational recovery:

To ensure that all pupils and in particular those who are disadvantaged, vulnerable or have SEND, are able to 'catch-up' on their learning in order to be ready for the next stages of their education.

Personal development:

To ensure the broader development of all pupils enables them to be confident, resilient and independent with strong characters. Whilst the school intends to secure improvement in all subjects, the key focus points will be upon Reading, Maths and PSHE (including RHSE) as these have been identified as instrumental to achieving all three of the priorities above.

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YEAR ENDED 31 AUGUST 2021

AUDITOR

Each of the persons who is a Governor 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 charitable company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a Governors to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

The report of the Governors (incorporating the directors' report) and the strategic report were approved on 13 December 2021 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 2021

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:		
Diane Cooper	3	4
Mark Scott	4	4
Deborah Colett	—	2
Chris Widdop	4	4
Schail Rashid	—	4
Jayne Golding-Smith	4	4
Lisa Ratcliffe	4	4
Felicity Sutcliffe	3	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 particular issue dealt with in the year was allocating the Academies Capital Maintenance Fund (ACMF) grant to the damp remediation work due to take place in 2022, overseeing the expenditure on updating the school facilities due to curriculum requirements and deciding on the viability of the schools out of school provision. In addition, the committee agreed on the schools five year budget.

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GOVERNANCE STATEMENT *(continued)*

YEAR ENDED 31 AUGUST 2021

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
Chris Widdop	3	3
Schail Rashid	—	3

There have been two 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 Academy 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, improved value for money during the year by:

Collaboration

The Academy Trust has worked in close partnership with other schools to reduce to overall cost of professional development. In particular the school is currently working with others within the East Calderdale Schools Cluster to ensure that staff has a good understanding of how to teach writing. 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 supported the wider education community by representing Academies on the Calderdale Schools' Forum, and the Headteacher represented the Academy Trust on the Cluster Partnership.

Overall Standards

Results from statutory assessments show that overall attainment of pupils in both Key Stages 1 and 2 is significantly above the national average and the school was above floor standards in all areas. Funds were made available to improve the teaching of Maths and this impacted positively on outcomes with all pupils achieving the expected standard at the end of KS2 and over half achieving the highest standard.

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GOVERNANCE STATEMENT *(continued)*

YEAR ENDED 31 AUGUST 2021

Partnerships

The school has continued to undertake significant improvements to outdoor provision through securing the donations of financial and labour resources from local businesses.

Financial governance and oversight

The Academy 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 encouraging budget commitments are made to meet the needs of the school development plan. Over the course of the next cycle resources have been made available to improve attendance.

Better purchasing

The Academy Trust has maintained to good practices in obtaining and reviewing quotes during procurement.

Maximising income generation

Lettings of space within the school were reviewed during the period; no rent increases charged to a pre-school group.

Reviewing controls and managing risks

The Academy 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 Ltd.

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 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. The Academy Trust 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 maintained and supply agencies have given assurances that they too carry out necessary checks.

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 from 1 September 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the governing body.

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GOVERNANCE STATEMENT *(continued)*

YEAR ENDED 31 AUGUST 2021

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 Ashley 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 two internal audit reviews covering the areas of viability and financial procedures surrounding the out of school club and the school procurement policies and procedures. The findings were discussed at the Finance Committee meetings. No 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 has 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 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 13 December 2021 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 2021

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 ESFA 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. As part of that consideration, I have had due regard to the requirements of the Academies Financial Handbook 2020.

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 2020.

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

13 December 2021

SALTERLEE ACADEMY TRUST LIMITED

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STATEMENT OF TRUSTEE'S RESPONSIBILITIES

YEAR ENDED 31 AUGUST 2021

The Trustees, who act as Governors of Salterlee Academy Trust Limited and are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the 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 2019 and the Academies Accounts Direction 2020 to 2021;
- 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 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 Governor on 13 December 2021 and signed on its behalf by :



C WIDDOP
Chair

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

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

YEAR ENDED 31 AUGUST 2021

OPINION

We have audited the financial statements of Salterlee Academy Trust Limited (the 'charitable company') for the year ended 31 August 2021 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).

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 2021 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 2019 and the Academies Accounts Direction 2020 to 2021.

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 charity 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

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

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

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

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 2021

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 the 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 with 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 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.

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 2021

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.

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

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- 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 charitable company through discussions with trustees 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 charitable company;
 - we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting 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.
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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 2021

We assessed the susceptibility of the charitable 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; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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 accounting estimates 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;
- inquiring of management as to actual and potential litigation and claims; and
- reading reports prepared by the Internal Audit Reviewer.

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 auditor's report.

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 2021

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.

SALLY SHACKLOCK (Senior Statutory Auditor)

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

13 December 2021

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

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

YEAR ENDED 31 AUGUST 2021

In accordance with the terms of our engagement letter dated 30 November 2020 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, 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 2021 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 2020, 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 2020 to 2021. 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 2021 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 2020 to 2021 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.

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

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

YEAR ENDED 31 AUGUST 2021

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 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 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

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

13 December 2021

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 AUGUST 2021

		2021			2020
	Note	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Income					
Donations and capital grants	5	–	913	8,426	9,339
Funding for the Academy's educational operations	6	8,403	573,110	1,204	582,717
Other trading activities	7	18,840	–	–	18,840
Investment income	8	171	–	–	171
Total income		<u>27,414</u>	<u>574,023</u>	<u>9,630</u>	<u>611,067</u>
Expenditure					
Expenditure on raising funds:					
Costs of generating voluntary income	9	6,250	12,840	–	19,090
Expenditure on charitable activities	10,11	18,448	597,195	26,205	641,848
Total expenditure		<u>24,698</u>	<u>610,035</u>	<u>26,205</u>	<u>660,938</u>
Net expenditure		<u>2,716</u>	<u>(36,012)</u>	<u>(16,575)</u>	<u>(49,871)</u>
Other recognised gains and losses					
Actuarial losses on defined benefit pension schemes		–	(16,000)	–	(16,000)
Net movement in funds		<u>2,716</u>	<u>(52,012)</u>	<u>(16,575)</u>	<u>(65,871)</u>
Reconciliation of funds					
Total funds brought forward		32,526	(417,636)	757,034	371,924
Total funds carried forward		<u>35,242</u>	<u>(469,648)</u>	<u>740,459</u>	<u>371,924</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 26 to 47 form part of these financial statements.

SALTERLEE ACADEMY TRUST LIMITED**COMPANY LIMITED BY GUARANTEE****STATEMENT OF FINANCIAL POSITION****31 AUGUST 2021**

		2021		2020	
	Note	£	£	£	£
FIXED ASSETS					
Tangible fixed assets	17		722,276		741,019
CURRENT ASSETS					
Debtors	18	22,287		19,567	
Investments	19	35,048		19,877	
Cash at bank and in hand		29,150		23,267	
		<u>86,485</u>		<u>62,711</u>	
CREDITORS: amounts falling due within one year	20	<u>21,708</u>		<u>22,806</u>	
NET CURRENT ASSETS			<u>64,777</u>		<u>39,905</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>787,053</u>		<u>780,924</u>
PENSIONS	22		<u>481,000</u>		<u>409,000</u>
NET ASSETS			<u><u>306,053</u></u>		<u><u>371,924</u></u>
FUNDS OF THE CHARITY					
Restricted fixed asset funds			740,459		757,034
Restricted funds		11,352		(8,636)	
Defined pension deficit		<u>(481,000)</u>		<u>(409,000)</u>	
			<u>(469,648)</u>		<u>(417,636)</u>
Unrestricted funds			<u>35,242</u>		<u>32,526</u>
Total charity funds	24		<u><u>306,053</u></u>		<u><u>371,924</u></u>

These financial statements were approved by the board of trustees and authorised for issue on 13 December 2021, and are signed on behalf of the board by:



MR M SCOTT
Accounting Officer

The notes on pages 26 to 47 form part of these financial statements.

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

STATEMENT OF CASH FLOWS

YEAR ENDED 31 AUGUST 2021

	2021	2020
	£	£
CASH FLOWS FROM OPERATING ACTIVITIES		
Net expenditure	(49,871)	(83,699)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	26,205	24,815
Other interest receivable and similar income	(171)	(215)
Pension service and finance costs	56,000	48,000
Accrued (income)/expenses	(363)	828
<i>Changes in:</i>		
Trade and other debtors	(2,720)	2,335
Trade and other creditors	(735)	(3,857)
Cash generated from operations	28,345	(11,793)
Interest received	171	215
Net cash from/(used in) operating activities	28,516	(11,578)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of tangible assets	(7,462)	–
Net cash (used in)/from investing activities	(7,462)	–
NET INCREASE IN CASH AND CASH EQUIVALENTS	21,054	(11,578)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	43,144	54,722
CASH AND CASH EQUIVALENTS AT END OF YEAR	64,198	43,144
<i>Made up of:</i>		
Cash at bank and in hand	29,150	23,267
Current asset investments	35,048	19,877
CASH AND CASH EQUIVALENTS AT END OF YEAR	64,198	43,144

The notes on pages 26 to 47 form part of these financial statements.

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2021

1. GENERAL INFORMATION

The charitable company 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

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 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

3. ACCOUNTING POLICIES

Basis of preparation

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.

Judgements and key sources of estimation uncertainty

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 22, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 AUGUST 2021

3. ACCOUNTING POLICIES *(continued)*

pensions liability at 31 August 2021. 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 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 entitlement of receipt 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 year for which it is receivable and any unspent amount is reflected as a balance in the restricted fund.

Capital grants are recognised when receivable 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.

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.

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 AUGUST 2021

3. ACCOUNTING POLICIES *(continued)*

Interest receivable

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

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.

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 Trust's educational operations.

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 Trust's depreciation policy.

Land and buildings - The premises occupied by the school are owned freehold by Salterlee Academy Trust Limited. The buildings were capitalised at that value by the EFA during the valuation exercise of August 2012.

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 AUGUST 2021

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

Impairment of fixed assets

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 as detailed in note 18. 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 notes 20 and 21. 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 2021

3. ACCOUNTING POLICIES *(continued)*

Pension benefits

Defined contribution scheme

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

Defined benefit scheme

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

The LGPS is a funded scheme and the assets are held separately from those of the Academy 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 gains and losses on settlements and curtailments. They are included as part of staff costs incurred. Net interest on the net defined benefit asset/liability 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 rate of 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.

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 AUGUST 2021

4. LIMITED BY GUARANTEE

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.

5. DONATIONS AND CAPITAL GRANTS

	Restricted Funds £	Restricted Fixed Asset Funds £	Total Funds 2021 £
DONATIONS			
Other donations	913	3,275	4,188
GRANTS			
Devolved formula capital grant	—	5,151	5,151
	<u>913</u>	<u>8,426</u>	<u>9,339</u>

	Restricted Funds £	Restricted Fixed Asset Funds £	Total Funds 2020 £
DONATIONS			
Other donations	1,720	—	1,720
GRANTS			
Devolved formula capital grant	—	9,201	9,201
	<u>1,720</u>	<u>9,201</u>	<u>10,921</u>

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 AUGUST 2021

6. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted Funds £	Restricted Funds £	Restricted Fixed Asset Funds £	Total Funds 2021 £
Contributions to trips	(1,770)	–	–	(1,770)
General Annual Grant	–	468,706	–	468,706
Other DfE/ESFA grants	–	104,404	1,204	105,608
Out of school club	10,173	–	–	10,173
Insurance claim	–	–	–	–
	<u>8,403</u>	<u>573,110</u>	<u>1,204</u>	<u>582,717</u>

	Unrestricted Funds £	Restricted Funds £	Restricted Fixed Asset Funds £	Total Funds 2020 £
Contributions to trips	4,301	–	–	4,301
General Annual Grant	–	419,477	–	419,477
Other DfE/ESFA grants	–	68,148	–	68,148
Out of school club	13,505	–	–	13,505
Insurance claim	–	6,400	–	6,400
	<u>17,806</u>	<u>494,025</u>	<u>–</u>	<u>511,831</u>

7. OTHER TRADING ACTIVITIES

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Hire of facilities	10,667	10,667	9,563	9,563
Catering income	6,677	6,677	7,339	7,339
Uniform sales	858	858	4,869	4,869
Other income	638	638	–	–
	<u>18,840</u>	<u>18,840</u>	<u>21,771</u>	<u>21,771</u>

8. INVESTMENT INCOME

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Bank interest receivable	171	171	215	215

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 AUGUST 2021

9. COSTS OF GENERATING VOLUNTARY INCOME

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Catering purchases and other costs	5,322	12,840	18,162
Uniform purchases	928	—	928
	<u>6,250</u>	<u>12,840</u>	<u>19,090</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Catering purchases and other costs	4,315	18,125	22,440
Uniform purchases	3,871	—	3,871
	<u>8,186</u>	<u>18,125</u>	<u>26,311</u>

10. EXPENDITURE ON CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds £	Restricted Funds £	Restricted Fixed Asset Funds £	Total Funds 2021 £
Teaching and educational support staff costs	—	371,941	—	371,941
Educational supplies	—	25,428	—	25,428
Visit and trips	252	—	—	252
Out of school club	18,196	—	—	18,196
Support costs	—	199,826	26,205	226,031
	<u>18,448</u>	<u>597,195</u>	<u>26,205</u>	<u>641,848</u>

	Unrestricted Funds £	Restricted Funds £	Restricted Fixed Asset Funds £	Total Funds 2020 £
Teaching and educational support staff costs	—	340,573	—	340,573
Educational supplies	—	24,919	—	24,919
Visit and trips	1,834	—	—	1,834
Out of school club	21,993	—	—	21,993
Support costs	—	187,992	24,815	212,807
	<u>23,827</u>	<u>553,484</u>	<u>24,815</u>	<u>602,126</u>

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 AUGUST 2021

11. EXPENDITURE ON CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Activities undertaken directly £	Support costs £	Total funds 2021 £	Total fund 2020 £
Teaching and educational support staff costs	371,941	164,145	536,086	499,620
Educational supplies	25,427	–	25,427	24,919
Visit and trips	252	–	252	1,834
Out of school club	18,196	–	18,196	21,992
Governance costs	–	61,887	61,887	53,761
	<u>415,816</u>	<u>226,032</u>	<u>641,848</u>	<u>602,126</u>

12. ANALYSIS OF SUPPORT COSTS

	Educational operations £	Total 2021 £	Total 2020 £
Maintenance premises and equipment	6,739	6,739	7,705
Telephone, photocopier and stationery costs	2,789	2,789	2,893
Depreciation	26,205	26,205	24,815
Motor expenses	3,729	3,729	3,246
Finance costs	28	28	28
Software and other support	5,944	5,944	10,429
Professional support	14,511	14,511	7,652
Support staff costs	84,268	84,268	80,958
Cleaning	7,164	7,164	2,620
Rent and rates	1,213	1,213	6,846
Insurance	1,799	1,799	1,800
Heat and light	8,815	8,815	9,348
Operating leases	941	941	706
Audit	3,790	3,790	3,770
Actuarial fees	452	452	392
FRS 17 service and finance costs	56,000	56,000	48,000
Accountancy	1,645	1,645	1,600
	<u>226,032</u>	<u>226,032</u>	<u>212,808</u>

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 AUGUST 2021

13. NET EXPENDITURE

Net expenditure is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation of tangible fixed assets	26,205	24,815
Operating lease rentals	941	706

14. AUDITORS REMUNERATION

	2021	2020
	£	£
Fees payable for the audit of the financial statements	3,790	3,770
Fees payable to the charitable company's auditor and its associates for other services:		
Other non-audit services	1,645	1,600

15. STAFF COSTS

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

	2021	2020
	£	£
Wages and salaries	377,024	353,912
Social security costs	27,283	23,621
Employer contributions to pension plans	70,097	65,990
	474,404	443,523

The average head count of employees during the year was 19 (2020: 20). The average number of full-time equivalent employees during the year is analysed as follows:

	2021	2020
	No.	No.
Teachers	5	5
Administration and support	6	7
Management	1	1
	12	13

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

	2021	2020
	No.	No.
£70,000 to £79,999	1	1

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 AUGUST 2021

15. STAFF COSTS *(continued)*

Key Management Personnel

The key management personnel of the Academy Trust comprise the governors 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 £152,372 (2020: £147,918).

16. 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 £60,000 and £65,000 in the period. The value of employer's pension contributions for the Headteacher was between £10,000 and £15,000.

No expenses have been paid to the Governors in the year. Related party transactions involving the trustees are set out in note 28.

Trustees and officers insurance

The Academy Trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business, and provides cover up to £10,000,000 on any one claim. It is not possible to quantify the trustees' and officers' indemnity element from the overall cost of the RPA scheme membership. The cost for the period ended 31 August 2021 was £1,799 (2020 - £1,800). The cost of this insurance is included in the total insurance cost.

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 AUGUST 2021

17. TANGIBLE FIXED ASSETS

	Freehold property £	Motor vehicles £	Equipment £	Total £
Cost				
At 1 September 2020	851,859	43,404	52,463	947,726
Additions	—	—	7,462	7,462
At 31 August 2021	851,859	43,404	59,925	955,188
Depreciation				
At 1 September 2020	128,197	34,592	43,918	206,707
Charge for the year	16,085	3,750	6,370	26,205
At 31 August 2021	144,282	38,342	50,288	232,912
Carrying amount				
At 31 August 2021	707,577	5,062	9,637	722,276
At 31 August 2020	723,662	8,812	8,545	741,019

18. DEBTORS

	2021 £	2020 £
Trade debtors	19	—
Prepayments and accrued income	17,328	17,681
Other debtors	4,940	1,886
	22,287	19,567

19. INVESTMENTS

	2021 £	2020 £
Bank deposits	35,048	19,877

20. CREDITORS: amounts falling due within one year

	2021 £	2020 £
Trade creditors	—	826
Accruals and deferred income	21,680	21,917
Other creditors	28	63
	21,708	22,806

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 AUGUST 2021

21. DEFERRED INCOME

	2021	2020
	£	£
At 1 September 2020	14,393	18,908
Amount released to income	(14,393)	(18,908)
Amount deferred in year	14,519	14,393
At 31 August 2021	<u>14,519</u>	<u>14,393</u>

At the balance sheet date the Academy Trust held funds received in advance for Universal Infant Free School Meals £9,888, Pupil Premium £1,595 and Devolved Formula Capital £3,036 which all relate to monies in advance for the 2021/2022 financial year.

22. PENSIONS

	Pensions and similar obligations £
At 1 September 2020	409,000
Charge against provision	72,000
At 31 August 2021	<u>481,000</u>

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 the West Yorkshire Pension Fund. Both are multi-employer defined-benefit schemes.

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

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

Teachers' Pension Scheme

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

The TPS is an unfunded scheme to which both the member and the 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

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 AUGUST 2021

22. PENSIONS *(continued)*

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The 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 contributions set at 23.68% of pensionable pay (including a 0.08% employer 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. The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension cost paid to TPS in the period amounted to £49,056 (2020 - £46,802).

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 Academy Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy Trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded, defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £29,000 (2020 - £28,000), of which employer's contributions totalled £21,000 (2020 - £19,000) and employees' contributions totalled £8,000 (2020 - £9,000). The agreed contribution rates for future years are 23.68% for employers, and tiered FTE based percentage for employees.

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

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 AUGUST 2021

22. PENSIONS *(continued)*

	2021	2020
Principal Actuarial Assumptions		
Rate of increase in salaries	3.85%	3.45%
Rate of increase for pension in payment / inflation	2.60%	2.20%
Discount rate for scheme liabilities	1.70%	1.70%
Inflation assumption (CPI)	2.60%	2.20%
RPI Inflation	2.60%	2.20%

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

	2021 Years	2020 Years
Retiring today		
Males	21.9	21.8
Females	24.7	24.6
Retiring in 20 years		
Males	22.6	22.5
Females	25.8	25.7

Sensitivity Analysis

	2021 £	2020 £
Discount rate +0.1%	958,000	759,000
Discount rate -0.1%	(1,014,000)	(803,000)
Mortality assumption - 1 year increase	1,023,000	809,000
Mortality assumption - 1 year decrease	(949,000)	(753,000)
CPI rate +0.1%	990,000	784,000
CPI rate -0.1%	(982,000)	(778,000)

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

	Year ended 31/08/2021 £	Year ended 31/08/2020 £
Equities	406,000	289,000
Government Bonds	40,000	36,000
Corporate Bonds	22,000	19,000
Cash	11,000	6,000
Other	7,000	6,000
Property	19,000	16,000
Total market value of assets	<u>505,000</u>	<u>372,000</u>

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 AUGUST 2021

22. PENSIONS *(continued)*

The actual return on the scheme assets was a gain £109,000 (2020 - £8,000).

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 AUGUST 2021

22. PENSIONS *(continued)*

Amounts recognised in the Statement of Financial Activities:

	2021	2020
	£	£
Current service cost (net of employee contributions)	71,000	61,000
Net interest cost	6,000	6,000
Total operating charge	<u>77,000</u>	<u>67,000</u>

Movements in the present value of defined benefit obligations

	2021	2020
	£	£
Opening defined benefit liabilities	781,000	680,000
Current service cost	71,000	61,000
Interest cost	13,000	13,000
Employee contributions	8,000	9,000
Actuarial (gain)/loss	118,000	23,000
Benefits paid	(5,000)	(5,000)
Closing defined benefit liabilities	<u>986,000</u>	<u>781,000</u>

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

	2021	2020
	£	£
Opening fair value	372,000	341,000
Interest income	7,000	7,000
Remeasurement gain/loss	102,000	1,000
Employer contributions	21,000	19,000
Employer contributions	8,000	9,000
Benefits paid	(5,000)	(5,000)
Closing fair value	<u>505,000</u>	<u>372,000</u>

23. PENSIONS AND OTHER POST RETIREMENT BENEFITS

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £70,097 (2020: £65,990).

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 AUGUST 2021

24. ANALYSIS OF CHARITABLE FUNDS

Unrestricted funds

	At 1 Sep 2020 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Aug 2021 £
General funds	<u>32,526</u>	<u>27,414</u>	<u>(24,698)</u>	<u>—</u>	<u>—</u>	<u>35,242</u>
	At 1 Sep 2019 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Aug 2020 £
General funds	<u>56,747</u>	<u>39,792</u>	<u>(32,013)</u>	<u>(32,000)</u>	<u>—</u>	<u>32,526</u>

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 Sep 2020 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Aug 2021 £
General Annual Grant (GAG)	(8,636)	468,706	(455,148)	—	—	4,922
Other DfE/ESFA grant	—	104,404	(97,974)	—	—	6,430
Pension	(409,000)	—	(56,000)	—	(16,000)	(481,000)
Insurance claims	—	—	—	—	—	—
Donations	—	913	(913)	—	—	—
	<u>(417,636)</u>	<u>574,023</u>	<u>(610,035)</u>	<u>—</u>	<u>(16,000)</u>	<u>(469,648)</u>
	At 1 Sep 2019 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Aug 2020 £
General Annual Grant (GAG)	(17,284)	419,477	(442,829)	32,000	—	(8,636)
Other DfE/ESFA grant	4,512	68,148	(72,660)	—	—	—
Pension	(339,000)	—	(48,000)	—	(22,000)	(409,000)
Insurance claims	—	6,400	(6,400)	—	—	—
Donations	—	1,720	(1,720)	—	—	—
	<u>(351,772)</u>	<u>495,745</u>	<u>(571,609)</u>	<u>32,000</u>	<u>(22,000)</u>	<u>(417,636)</u>

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 AUGUST 2021

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 2021.
2. Other DfE/ESFA grants includes
 - £16,910 which was received for providing Physical Education,
 - £17,719 which was received to aid with the delivery of Universal Infant Free School Meals (UFSM),
 - £11,841 which was received to fund additional support for pupils with special educational needs,
 - £5,047 which relates to Teachers pay grant,
 - £14,261 which relates to Teachers pension grant,
 - £14,027 which relates to Pupil premium,
 - £8,400 which relates to Covid-19 catch up premium Academies funding,
 - £2,794 a one off payment the ESFS gave schools in the pandemic for emergency support,
 - £9,551 received from DfE/ESFA for COVID exceptional costs of buying extra laptops, cleaning equipment, etc,
 - £1,547 funding from the DfE to support schools facing significant staff absences and financial pressures with the costs of staff cover for the period from 1 November to 31 December 2020,
 - £1,382 rates refund,
 - £925 Income from training and mentoring.
3. The pension reserve represents the deficit attributed to the Academy Trust as an employer as detailed in note 22.
4. Other donations include proceeds from the 100 club of £913 which are used towards the cost of running the minibus.

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 AUGUST 2021

24. ANALYSIS OF CHARITABLE FUNDS *(continued)*

Restricted Fixed Asset Funds

	At 1 Sep 2020 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Aug 2021 £
Transfer from local authority	639,282	—	(13,167)	—	—	626,115
DfE/ESFA capital grants	101,539	6,355	(5,526)	—	—	102,368
Capital expenditure from GAG	3,300	—	(3,300)	—	—	—
Other donations	12,913	3,275	(4,212)	—	—	11,976
	<u>757,034</u>	<u>9,630</u>	<u>(26,205)</u>	<u>—</u>	<u>—</u>	<u>740,459</u>

	At 1 Sep 2019 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Aug 2020 £
Transfer from local authority	652,116	—	(12,834)	—	—	639,282
DfE/ESFA capital grants	97,271	9,201	(4,933)	—	—	101,539
Capital expenditure from GAG	6,598	—	(3,298)	—	—	3,300
Other donations	16,663	—	(3,750)	—	—	12,913
	<u>772,648</u>	<u>9,201</u>	<u>(24,815)</u>	<u>—</u>	<u>—</u>	<u>757,034</u>

Other donations relate to a donation from Friends of Salterlee School of £1,000, which was used for the purchase of high-tech equipment. Other donations also include £2,275 fair value of laptops received free of charge from the DfE.

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 AUGUST 2021

25. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2021 £
Tangible fixed assets	–	–	722,276	722,276
Current assets	35,242	33,060	18,183	86,485
Creditors less than 1 year	–	(21,708)	–	(21,708)
Defined benefit pension	–	(481,000)	–	(481,000)
Net assets	<u>35,242</u>	<u>(469,648)</u>	<u>740,459</u>	<u>306,053</u>

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2020 £
Tangible fixed assets	–	–	741,019	741,019
Current assets	32,526	14,170	16,015	62,711
Creditors less than 1 year	–	(22,806)	–	(22,806)
Defined benefit pension	–	(409,000)	–	(409,000)
Net assets	<u>32,526</u>	<u>(417,636)</u>	<u>757,034</u>	<u>371,924</u>

26. ANALYSIS OF CHANGES IN NET DEBT

	At 1 Sep 2020 £	Cash flows £	At 31 Aug 2021 £
Cash at bank and in hand	23,267	5,883	29,150
Current asset investments	19,877	15,171	35,048
	<u>43,144</u>	<u>21,054</u>	<u>64,198</u>

27. OPERATING LEASE COMMITMENTS

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2021 £	2020 £
Not later than 1 year	941	941
Later than 1 year and not later than 5 years	2,118	2,824
	<u>3,059</u>	<u>3,765</u>

SALTERLEE ACADEMY TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 AUGUST 2021

28. RELATED PARTIES

Owing to the nature of the Academy Trust'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 Trust's financial regulations and normal procurement procedures.

Mark Scott is 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 paid a rent of £10,667, (2020: £9,563) for the use of these premises during the year. The school received £632 for photocopy and paper usage, £1,470 for dinners and £6 for keys.

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