

Company registration number 09861442 (England and Wales)

**RIVER TEES MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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



# **RIVER TEES MULTI ACADEMY TRUST**

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# RIVER TEES MULTI ACADEMY TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Members

D Jones  
A Cuff  
D Sanders

### Trustees

C Jones (Accounting Officer)  
M Bruce  
P Cambage (Chair)  
Dr D Carrick-Sen  
Ms C V Hoggard (Resigned 12 July 2023)  
Ms L Mclean  
Dr I G Icton  
H Ferguson  
P Miller (Vice Chair)  
K Stevens (Appointed 12 July 2023)

### Senior management team

- CEO  
- Trust Business Manager  
- Regional Headteacher  
- Headteacher  
- Headteacher  
- Headteacher  
- Home & Hospital Teaching Lead

C Jones  
H Stokes  
L Chilton  
S Birch  
S Moss  
R Matthews  
A Burns

### Company registration number

09861442 (England and Wales)

### Registered office

Sulby Avenue  
Middlesbrough  
TS3 8RD  
United Kingdom

### Academies operated

River Tees Primary  
River Tees Middle  
River Tees High  
River Tyne Academy Gateshead  
River Tees Academy Grangetown

### Location

Middlesbrough  
Middlesbrough  
Middlesbrough  
Gateshead  
Redcar

### Principal

Miss S Moss  
Miss S Birch  
Miss S Birch  
Miss R Matthews  
Mrs L Chilton

### Independent auditor

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

### Bankers

Lloyds Bank plc  
83 Linthorpe Road  
Middlesbrough  
TS1 5BU  
United Kingdom

# RIVER TEES MULTI ACADEMY TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Solicitors

Muckle LLP  
Time Central  
32 Gallowgate  
Newcastle Upon Tyne  
Tyne And Wear  
NE1 4BF  
United Kingdom

# RIVER TEES MULTI ACADEMY TRUST

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their annual report together with the audited financial statement of River Tees Multi Academy Trust and auditor's report of the charitable company for the period 1st September 2022 to 31st August 2023. The Governors confirm that the annual report and financial statements of the academy comply with the current statutory requirements, the requirements of the academy's governing document and the provision of the 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) (the Charities SORP 2019). The annual report serves the purposes of both the trustees' report and a directors' report under company law.

River Tees Multi Academy Trust (RTMAT) is based in the North East of England. The Trust has 4 Alternative Provision Academies, one Free Special School which opened in September 2023 and a Hospital Teaching Service.

Our Academies:

Name	Designation	Commissioned Numbers	Age Range	Ofsted Grade	Location
River Tees Primary Academy	Alternative Provision Academy	16	8 – 11 (KS1 places can be commissioned with additional agreement)	Good	Middlesbrough
River Tees Middle Academy	Alternative Provision Academy	32	11 - 14	Good	Middlesbrough
River Tees High Academy	Alternative Provision Academy	48	14 - 16	Good	Middlesbrough
River Tees Home and Hospital Teaching	Hospital Teaching Service	59	5 - 18	Good (inspected with RTHA)	Middlesbrough
River Tyne Academy Gateshead	Alternative Provision Academy	103	8 – 16 (only secondary places are commissioned at present)	Good with Outstanding for Personal Development	Gateshead
River Tees Academy Grangetown	Free Special School	32 in the first and some of the second year, 100 when fully open	5 - 19	Pre-inspection Ofsted visit completed.	Redcar and Cleveland

"We change lives." Our academies provide high quality education and emotional development support for the most disadvantaged and vulnerable learners. We use trauma-informed approaches to understand each learner's individual needs. Our intent is to ensure we offer the highest quality provision for our cohort of learners, taking account of their additional needs, social deprivation and gaps in learning. We do this through an ethical approach that ensures we use public funds to have the greatest impact for every learner. Our curriculum focusses on Currency, Character and Community. Together, these themes will give the greatest chance of successful progression to adulthood including skills and qualifications for employment and to become a valued citizen. Our values are rooted in ethical approaches to partnership working and our drive to ensure that disadvantaged learners receive the best possible education. Expansion plans for the Trust consider how to improve outcomes for learners through our tried and tested approach to improvement.

# RIVER TEES MULTI ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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At RTMAT, our team are enthusiastic and passionate about our learners, staff and communities. The Trust workforce, learners and communities demonstrate our Trust values. We are:

- Resilient and brave
- Trustworthy and kind
- Making positive differences to learners', staff and our wider communities' lives
- Aspirational and hopeful
- Tolerant and respectful

Our core approaches focus on:

- High aspirations.
- Effective intervention.
- Removing barriers.
- Outstanding outcomes.

We want every learner to have access to a curriculum that supports them to develop their knowledge, skills and experience in:

Currency –learning for your future.

Character –who you are and who you want to be.

Community –links to others and the wider world, and your place within it.

The impact we have on learners is measured using a detailed set of Key Performance Indicators. Having a relational approach and a well-designed curriculum offer helps our learners to engage with and enjoy learning while making exceptional progress from their starting points.

Our staff, in all roles, are our key asset. We care about their safety and wellbeing. We recognise that we need sufficient skilled capacity to enable us to ensure we continue to improve the quality of provision for existing academies while also influencing other education providers and wider society as a Civic institution. Investment in our staff is a key commitment. This includes encouraging an appropriate work life balance and offering high quality staff development opportunities. As a Trust we are leaders in the Alternative Provision and Special Educational Needs sectors. Our commitment to the highest quality curriculum and learning offer sets a benchmark for others to reach for.

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

##### Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum of understanding and articles of association are the primary governing documents of the academy trust.

Details of the governors who served during the year are included in the 'Reference and Administrative Details' on Page 1.

##### Members' liability

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

##### Trustees' indemnities

The academy has insurance to protect governors from claims arising against negligent acts, omissions through the Risk Protection Agreement (RPA) provided by the Education and Skills Funding Agency (ESFA).

# RIVER TEES MULTI ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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

The River Tees Multi Academy Trust has 3 members and 9 trustees as set out in the Articles of Association. In 21/22 we altered the Articles of Association, which would allow us to have a maximum 11 Trustees following the growth of the Trust. In previous years we have received help from the Academy Ambassadors programme to strengthen the governance. Since Academy Ambassadors has ceased we have looked to find an additional two Trustees through contacts within the Trust. We have recently recruited an additional Trustees with another potential Trustee who is currently going through the DBS process and will look to join the Trust as soon as possible. All trustees have significant strengths to bring to the organisation and are looking to develop the Trust further. The term of office for any governor is 4 years, apart from the CEO of River Tees Multi Academy. We are also advertising through LinkedIn and other agencies for 2 additional Members following the growth of the Trust and have the potential two possible members inline, however one member would like to resign due to personal reasons.

All Trustees and Members go through a thorough process of checks when they express interest in joining us. This includes checks with Companies House and the Disclosure and Barring Service. Trustees are asked to alert the Trust Development Lead to any changes in their interests. Annual checks are carried out to check along with random sampling throughout the year. Our auditors check this information is correct.

Annual skills audits are completed by Trustees. The Chair of the Trust completes self-reflections activities with all Trustees. This will be modelled on the Professional Reflection and Development Model used within the Trust to support and develop staff. Further training is provided such as Prevent and Safer Recruitment throughout the year.

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

Training and induction is provided for new members and trustees dependent on their existing experience. When necessary training and induction has been provided through external Governing Services such as NGA and the Confederation of Schools Trust. All new Trustees meet with existing members of the board and are given a tour of the academy. All new Trustees are given a copy of all the policies, procedures, budget and other key documents they will require in their new role as a Trustee within the Trust. The Trust have recently purchased Governors Hub, which help record all training that is completed.

### Organisational structure

The structure currently consists of two levels:

The MAT Senior Leadership Team is responsible for financial stability, human and other resources management, setting general policy, the vision and expansion of the MAT and ensuring high standards and good student outcomes are the highest priority. Trustees lead on the appointments of senior school staff.

Senior Leadership Teams within each geographical area, made up from school and MAT senior leaders who strategically manage on a distributed, evidence based collaborative model.

Local Governing Committees are in place for all Academies within the Trust. These committees support the MAT in monitoring and challenging the senior leadership in our academies and are responsible to the Trust Board, reporting through the Trustees who are Local Governing Committee representatives.

Decisions are made in line with our Scheme of Delegation. The Trust Development Plan contains annual objectives and is the accountability measure for the CEO. The associated Implementation Plan/CEO Objectives detail the expectations for the academic year. This includes areas of focus for the Trust Board, Committees, the Executive Team and Senior Leaders in schools. This document is a result of detailed self-assessment at a school and board level, as well as horizon scanning for potential areas of development.

# RIVER TEES MULTI ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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

Upon conversion to a Multi Academy Trust the Directors and Trustees agreed with the Unions and Staff that the MAT would keep the same terms and conditions for support staff and abide by the national guidelines for teachers pay and conditions. Senior staff are paid on the national leadership scale (or non-teaching equivalent).

The Pay Committee, led by the Chair of the Finance and Human Resources Committee meet annually to review pay for senior staff and teachers. The group commissioned an external organisation to undertake a review of the CEO's salary in 2021-2022. This report was returned to the sub-committee to make recommendations to the Trust Board.

Performance and remuneration are governed by the outcomes of a robust system of annual staff appraisals. New posts are subject to 6 months' probation that can, in exceptional circumstances, be extended in line with the staff handbook.

### Trade union facility time

#### *Relevant union officials*

Number of employees who were relevant union officials during the relevant period	3
Full-time equivalent employee number	3.00

#### *Percentage of time spent on facility time*

Percentage of time	Number of employees
0%	-
1%-50%	3
51%-99%	-
100%	-

#### *Percentage of pay bill spent on facility time*

Total cost of facility time	480,552
Total pay bill	5,361,192,190
Percentage of the total pay bill spent on facility time	4%

#### *Paid trade union activities*

Time spent on paid trade union activities as a percentage of total paid facility time hours	-
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### Related parties and other connected charities and organisations

The Trust has no connected charities or organisations.

# **RIVER TEES MULTI ACADEMY TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### **Our Academies**

#### **River Tees High**

River Tees High is overseen by Sarah Birch, Headteacher. The curriculum for 14-16 year olds has a rigorous academic focus, ensuring that all learners have the opportunity to achieve GCSEs in English and maths as well as a range of other subjects. Learners join the academy throughout the year and the significant majority are permanently excluded. We have around 60% eligible for Pupil Premium and significant numbers of children who are looked after by the Local Authority and a smaller number with Education Health and Care Plans. All learners have access to comprehensive Careers Education and Guidance and all those available to the labour market make positive transitions in to post-16 Education Employment and Training.

#### **River Tees Middle**

River Tees Middle caters for learners aged 11-14. Sarah Birch is the Headteacher. The curriculum is broad and balanced and in line with national expectations so learners have the best chance of successfully returning to mainstream schools. This year a small but growing number made a successful transition. Learner needs are carefully identified so that gaps can be filled and any support or referrals put in place as part of their curriculum offer. Careers education and work related learning helps to inspire their future pathway and the Personal Development offer is wide ranging and comprehensive.

#### **River Tees Primary**

The Headteacher, Sophie Moss has been in the post over a year now and has significant experience leading the Primary academy as a Key Stage 2 Lead prior to this. . Most learners are in Key Stage 2 and can join us at any point during the year. This year most pupils will return to mainstream schools for the next academic year. Ongoing support is in place to help make this a success. Outreach support has been provided to a number of schools including pupil observations, behaviour support and training to prevent suspension and exclusion. Although the commissioned numbers are 16, demand for places regularly raises numbers to 24. The curriculum is broad and balanced and in line with the requirements of the National Curriculum. Personal Development is a key aspect of our work and this year pupils had the opportunity to participate a range of activities and visits including a Christmas assembly.

During the year all pupils worked on their character learning, improving how they manage their emotions and work with others. A number of community events were held and the pupils participate enthusiastically in these including Thank and Teacher and Thank Other School Staff activities.

#### **River Tees Home and Hospital Teaching**

Adam Burns leads Home and Hospital Teaching. He has built strong relationships with partner schools that support referral and transition. Home and Hospital Teaching offer education on Hospital Wards at James Cook University Hospital and Acklam Road Hospital (tier four mental health) along with a community learning centre and home-based tuition. Learners need to have supporting medical evidence to access the service. Technology supports the delivery of remote learning including use of the Virtual Learning Environment and avatars. There has been an increase in referrals for the places at Home and Hospital Teaching and these have been supported where possible. The capacity of the building at The Learning Centre limits further expansion and capital funding will need to be secured to provide a new build in the near future.

#### **River Tyne Academy Gateshead**

River Tyne Academy Gateshead provides capacity for Gateshead Local Authority to place secondary age learners who are permanently excluded from school. Over the last year the relationship with stakeholders has improved and this has resulted in greater confidence in the quality of the provision. This strengthened relationship has been instrumental in discussions about new areas of work that can be explored. The academy was inspected for the first time in July 2022, achieving good overall with outstanding for Personal Development. This is a significant improvement from the inadequate provision taken in to the Trust in 2018. All learners have the opportunity to take GCSEs in English and maths, as well as other subjects. All year 11 leavers move on to post-16 Education Employment and Training and a growing number of learners transition back to mainstream schools throughout the year. Rebecca Matthews took up post as Headteacher in July 2022 and will continue the improvement journey.

# RIVER TEES MULTI ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### **Objectives and activities**

#### **Trust Development**

Decision-making frameworks help inform development of the Trust. These take account of the needs of any organisation we work with, our capacity to support them and are informed by due diligence and risk awareness.

River Tees Academy Grangetown, a Free Special School for the Tees Valley, opened in September 2022. This school is being delivered in partnership with four Local Authorities. The school is currently in temporary accommodation and will move into the new school, accommodating 100 pupils once the building process is complete.

In addition to the annual commissioned places from our home Local Authorities' High Need Block, we have maintained income streams from direct commissioning by schools and colleges (helping to prevent permanent exclusion) in spite of the pressures of the pandemic. We have strong working relationships with Local Authorities outside of our home base including North Tyneside, Newcastle and across the Tees Valley (Darlington, Middlesbrough, Redcar and Cleveland).

Our data system supports various data sets to be combined, enhanced reporting to Trustees with transparency for Key Performance Indicators and supporting the development of the collaborative review process that provides an evidence base for the impact of all our work.

Our quality assurance systems have been further developed over the last year. We have implemented a new Professional Reflection and Development approach for teachers. This system draws on best evidence from research related to teaching and learning and enables teachers to take more responsibility for their own development, supporting peers and enter in to professional discussions using instructional coaching. Each year teachers will work on an enquiry question to help build their knowledge of research-led practice.

Succession planning within our staffing structure has resulted in a strong Senior Leadership Team across the Trust.

Despite the challenges of recruitment into teaching and specifically the AP sector, we have attracted a range of staff including experienced and newly qualified or trainee teachers. We will be fully staffed across all schools for September 2023, with a significant reduction on reliance on supply cover as we continue to invest in longer term development of all our staff.

#### **Risk**

The Trust Team hold responsibility for the Risk Register. This is updated regularly at individual academy and strategic level. The risk register is reviewed by the Audit and Risk Committee. The Board recognises the risks to the organisation through over dependence on single sources of funding. This core funding could be subject to change due to local or central Government decisions. The green paper on SEND and AP includes proposals to rationalise methodology and stabilise funding. It is unclear how quickly any recommendations will be implemented.

High risk areas (prior to mitigations) relate to finance with rising and unpredictable energy costs, food costs and teacher and other staff pay rises over the next year. Cybersecurity is a major concern and the Trust Business Manager has already taken steps to ensure that we are protected as we can be from attack, and that we are compliant with the conditions of our insurance in this area. All staff have completed cybersecurity training and our ICT provider has all necessary protection in place. Maintaining and improving our estate is also identified as a high risk, but a costed plan is in place to help the Executive Team work with Trustees to priorities capital projects across the Trust. We were successful with a CIF bid last year for the boiler at the Birtley site, this work has now been completed.

# RIVER TEES MULTI ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Commissioned Places

Places commissioned by both Middlesbrough and Gateshead Local Authorities have been filled by the end of the academic year, as anticipated within our agreements. Local Authorities have requested additional places over the year and we have been able to accommodate most of these. Additional pupils have been taken in to SEND placements where Local Authorities have requested this and we have agreed that we can meet their needs. These places have bespoke agreements.

The capacity of our school buildings does limit our ability to fully meet the needs of our commissioning Local Authorities.

### Support to Other Schools

The Trust offers services direct to schools including learner observation and report writing, training in behaviour management, THRIVE, strategies for learners with emotionally based school avoidance and short or longer term commissioned places. The Outreach offer has been widely circulated with new publicity and the response has been positive across all areas of the offer.

In addition, the senior team work as Specialist Leaders of Education, SEND reviewers and speak at regional and national conferences, all of which attract funding for the Trust. Three senior staff are Ofsted inspectors. We have six staff who are qualified Team Teach trainers, one Thrive practitioner trainer and a Mental Health First Aid trainer. Much of our practice is highly valued and transferrable to other settings.

### Financial systems and processes.

Internal audit showed that our financial processes are robust and well managed. No areas of concern were highlighted. Our Finance Officer has identified a new finance system last year and was implemented into the Trust in September 2022. The Finance and HR, and Audit and Risk Committees have continued to deliver effective oversight in line with the Academy Trusts' Handbook. Although direct comparison with other Alternative Provision Settings is challenging, our headline Key Performance Indicators are either in line with other settings or have a strong explanation based on our delivery model and learner needs.

### Social Capital

Members and Trustees adhere to the seven principles of public life and ensure that all decisions are made in the best interest of our learners. At the end of each Committee or Board meeting, those involved are asked to comment on how the decisions made or the time used have helped to improve outcomes for learners. Learners and staff regularly fundraise for community charities. The Board Executive Team understand the role of the Trust as a Civic institution and are committed to influencing others to support disadvantaged learners.

### Environmental Capital

We aim to reduce our carbon footprint, both for environmental considerations and to encourage our learners to engage with a growing sector offering them a sustainable world. We will be carbon neutral by 2030. Our Estate Management plans embrace sustainability. The new building for River Tees Academy Grangetown will be carbon neutral.

### Estate Management

The Trust has developed an Estate Management Strategy that takes account of the needs of our current and future learners. We have invested in detailed reports to allow us to prioritise maintenance costs and therefore allow us to look to future investment in buildings. Some of the estate needs to be developed, with a focus on the least suitable buildings. By least suitable we mean that the buildings are not fit for providing a full curriculum to our learners. The Trust reserves are not sufficient to commission a new building. We hope that Local Authorities will provide some capital funding or we can put bids in to another source. We plan to fundraise where possible. We do have capacity to build on one of our sites and could better use some areas for sports facilities and outdoor learning spaces.

# RIVER TEES MULTI ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### Strategic report

#### Achievements and performance

The Quality of Education Committee has supported the CEO and Trust team in scrutinising the underlying assumptions behind headline KPIs. These KPIs cover aspects of the Quality of Education and the three threads of our curriculum: currency, character and community.

	Specific Area	Ref:	Key Indicator	Data source to draw in to data dashboard	Oversight
1.0 Overarching	Ofsted	1a	All academies are rated good or better by Ofsted.	Ofsted reports	QoE, LGC Board
	Improvement	1b	Academies awaiting Ofsted are improving. Internal and external School Improvement Partners (SIPs) corroborate this.	SIP reports. Self-evaluation framework. Work scrutiny, learning walks, internal data.	LGC
	Curriculum	1c	The curriculum offer is broad and balanced. The curriculum supports transition.	SIP visits, self-evaluation, transition feedback.	LGC QoE
	Staffing	1d	Staff levels and training are consistent with effective delivery.	HR data including recruitment, retention and CPD.	FHR
	Finance	1e	All audits demonstrate compliance with no major concerns. Risks are well managed.		FHR AR
2.0 Currency	Attainment	2a	All learners leave with a valid qualification in English and maths. Wherever possible this should be a GCSE.	GCSE results.	LGC, QoE, Board
		2b	Increasing numbers of learners leave with GCSE maths and English grades at grade 4 or above.	GCSE results.	LGC, QoE, Board
		2c	Most learners should leave with 5 GCSEs or equivalent to support their progression in to post-16 pathways.	GCSE results.	LGC, QoE, Board
		2d	Primary learners attain in line with expectations from earlier assessments.	KS2 SAT results.	LGC, QoE, Board
		2e	All learners improve their reading skills.	Reading tests.	LGC
		2f	All learners improve their numeracy skills.	Numeracy tests, GCSEs	LGC
	Transition and Progression	2g	Most learners make a positive transition back to mainstream school when this has been agreed as their destination.	Transition data	LGC
		2h	All Year 11 learners move into Education, Employment and Training post-16.	Destinations	LGC, Board

# RIVER TEES MULTI ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

	Careers Education	2i	All Gatsby benchmarks are met.	Compass data	LGC
3.0 Character	Attendance	3a	All learners regularly achieve attendance over 90%.	Attendance	LGC, Board
		3b	Learners with lower attendance improve towards 100%.	Attendance	LGC, Board
	Personal Development	3c	All learners demonstrate improvement in their social and emotional development.	Records of personal development, progress meetings, day book positives ratio	LGC
	Behaviour	3d	Serious incidents, exclusions and sanctions for behaviour show an overall decline for individual learners over time.	Schoolbase day book and registers	LGC Board
	Learner Views	3e	Learner surveys demonstrate learners feel safe in school and that any concerns are dealt with swiftly and effectively.	Surveys (PDQ)	LGC
4.0 Community	PSHE and SRE	4a	Personal Social and Health Education and Sex and Relationships Education and the wider Personal Development offer at least meet the standards in national guidance.	Collaborative review findings	QofE, LGC
	Work related learning	4b	All learners have meaningful opportunities to engage with work related learning and work experience (older learners).	Registers, collaborative review findings	LGC
	Parents and carers	4c	Parent and carer questionnaires demonstrate that parents are positive about their child's education with RTMAT.	Questionnaire responses (PDQ)	LGC
	Stakeholders	4d	Stakeholder feedback indicates that RTMAT is seen as a high quality, trusted organisation.	Questionnaire responses (PDQ), repeat commissioning	LGC

# RIVER TEES MULTI ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

All Primary learners have achieved in line with or better than expectations, from their assessed starting point. In 2023 all Year 6 learners from River Tees Primary transitioned to mainstream secondary schools. Transition activities and support are in place to help pupils make a successful transition throughout the period before transition. Learners in River Tees Academy Grangetown successfully transitioned to KS3 within the same school following SATs. A growing number of learners return to mainstream schools throughout the year, some move on to more specialist provision.

#### Key performance indicators

#### KS4 Outcomes

RIVER TYNE ACADEMY GATESHEAD		2018-2019 (Main cohort – 30)	2019-2020** (Main cohort – 18)	2020 – 2021 (Main cohort – 39)	2021-2022 (Main cohort – 33)	2022-2023 (Main cohort – 43)
General	5 GCSEs 9-4 inc English and maths	3.33%	11%	13% 5	6% 2	2.3% 1
	5 GCSEs 9-4	3.33%	17% 3	13% 5	6% 2	2.3% 1
	5 GCSEs 9-1	30%	39%	56% 22	45% 15	30.2% 13
	1 GCSE at 9-1	76%	100%	100% 39	88% 29	77% 33
	No Qualifications	24%	0%	0% 0	12% 4	11.6% 5
English	English GCSE	66.66%	100%	85% 33	73% 24	63% 27
	An English Qualification					63% 27
	English grade 4 or better	3.33%	33%	21% 8	9% 3	2.3% 1
	English grade 3 or better	13.33%	44%	31% 12	27% 9	16% 7
Maths	Maths GCSE	66.66%	100%	100%	70% 23	60% 26
	A Maths Qualification					82% 31
	Maths grade 4 or better	10%	22%	23% 9	12% 4	4.7% 2
	Maths grade 3 or better	20%	50%	54% 21	21% 7	7% 3
Combined E&M	GCSE Maths and English (9-1)					68% 21
	A Maths and English Qualification					68% 21
	GCSE Maths and English (9-4)					3% 1

# RIVER TEES MULTI ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### Key performance indicators

#### KS4 Outcomes

RIVER TEES HIGH ACADEMY		2018-2019 (21)	2019-2020** (27)	2020 – 2021 (28)	2021-2022 (20)	2023-23 (34)
<b>General</b>	<b>5 GCSEs 9-4 inc English and maths</b>	10% 2	11% 3	29% 8	10% 2	9% 3
	<b>5 GCSEs 9-4</b>	10% 2	11% 3	29% 8	35% 7	12% 4
	<b>5 GCSEs 9-1</b>	67% 14	89% 24	100% 28	100% 20	74% 25
	<b>1 GCSE at 9-1</b>	95%* 19	100% 27	100% 28	100% 20	91% 31
	<b>No Qualifications</b>	5%* 1	0% 0	0% 0	0% 0	9% 3
<b>English</b>	<b>English GCSE</b>			100% 28	100% 20	82% 28
	<b>An English Qualification</b>					88% 30
	<b>English grade 4 or better</b>	14% 3	22% 6	43% 12	15% 3	15% 5
	<b>English grade 3 or better</b>	48% 10	63% 17	68% 19	55% 11	35% 12
<b>Maths</b>	<b>Maths GCSE</b>			100% 28	100% 20	82% 28
	<b>A Maths Qualification</b>					88% 30
	<b>Maths grade 4 or better</b>	24% 5	26% 7	43% 12	45% 9	35% 12
	<b>Maths grade 3 or better</b>	43% 9	56% 15	68% 19	55% 11	53% 18
<b>Combined E&amp;M</b>	<b>GCSE Maths and English (9-1)</b>			100% 28	100% 20	79% 27
	<b>A Maths and English Qualification</b>					88% 30
	<b>GCSE Maths and English (9-4)</b>			36% 10	10% 2	9% 3
	<b>GCSE Maths and English (9-5)</b>			18% 5	0% 0	3% 1

# RIVER TEES MULTI ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

RIVER TEES HIGH ACADEMY		2018-2019 (21)	2019-2020** (27)	2020 – 2021 (28)	2021-2022 (20)	2023-23 (34)
General	5 GCSEs 9-4 inc English and maths	10% 2	11% 3	29% 8	10% 2	9% 3
	5 GCSEs 9-4	10% 2	11% 3	29% 8	35% 7	12% 4
	5 GCSEs 9-1	67% 14	89% 24	100% 28	100% 20	74% 25
	1 GCSE at 9-1	95%* 19	100% 27	100% 28	100% 20	91% 31
	No Qualifications	5%* 1	0% 0	0% 0	0% 0	9% 3
English	English GCSE			100% 28	100% 20	82% 28
	An English Qualification					88% 30
	English grade 4 or better	14% 3	22% 6	43% 12	15% 3	15% 5
	English grade 3 or better	48% 10	63% 17	68% 19	55% 11	35% 12
Maths	Maths GCSE			100% 28	100% 20	82% 28
	A Maths Qualification					88% 30
	Maths grade 4 or better	24% 5	26% 7	43% 12	45% 9	35% 12
	Maths grade 3 or better	43% 9	56% 15	68% 19	55% 11	53% 18
Combined E&M	GCSE Maths and English (9-1)			100% 28	100% 20	79% 27
	A Maths and English Qualification					88% 30
	GCSE Maths and English (9-4)			36% 10	10% 2	9% 3
	GCSE Maths and English (9-5)			18% 5	0% 0	3% 1

# RIVER TEES MULTI ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

HOME & HOSPITAL TEACHING • 4 pupils were removed from this cohort data as they were deemed medically unfit for exams. <i>Prior to 2021 Hospital School data had been included in River Tees High Headlines.</i>		2021-2022 (16)	2022-23 (21)*
General	5 GCSEs 9-4 inc English and maths	19% 3	29% 6
	5 GCSEs 9-4	25% 4	38% 8
	5 GCSEs 9-1	81% 13	95% 20
	1 GCSE at 9-1	100% 16	100% 21
	No Qualifications	0% 0	0% 0
English	English GCSE	94% 15	100% 21
	An English Qualification		100% 21
	English grade 4 or better	31% 5	48% 10
	English grade 3 or better	69% 11	86% 18
Maths	Maths GCSE	94% 15	100% 21
	A Maths Qualification		100% 21

### Cost of Living Support

Our school dinner offer ensures that every learner can have a healthy and nutritious meal. We also provide breakfast and are part of the national breakfast clubs scheme. All learners are provided with free uniform. Because we understand that many of our learners are from deprived backgrounds, we have poverty proofed our approaches. Educational visits and reward trips have no cost to parents or carers. When events in school take place, careful thought is given to how to support our families with food and other useful supplies. We are provided with a range of food and presents at Christmas, which we distribute to those in most need. Our staff are relentless in helping families and have provided access to furniture, bedding, and clothes for the whole family and other resources.

### Leadership and Management:

Christina Jones has been the CEO since October 2018. Leanne Chilton is the Regional Headteacher in Middlesbrough and has been in post since February 2019. All Headteachers have successfully completed a year or more in post. Finance across all academies is tightly monitored by the MAT team with oversight from external auditors and Trustees.

### Teaching and Learning:

The quality of teaching and learning within all academies has been rigorously assessed, with the embedding of our teaching and learning model. Our curriculum offer is now embedded including intent, implementation and impact in line with the latest Ofsted framework requirements.

### Behaviour and Safeguarding:

The Academies have an Attendance & Safeguarding Officer in post and Personal Development Leads who have continued to take responsibility for managing behaviour/safeguarding at our academies. Our curriculum supports all learners to understand contextual risks within the community and how to stay safe online. We are proactive in understanding these risks and learners report they feel listened to and supported at school.

# RIVER TEES MULTI ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### Going concern

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

#### **Financial review**

Income received in the year was better than budgeted at £7.748m (£7.049m budgeted). The ESFA provided around 49% of the income (57% in 21/22) in the form of allocated pupil place funding, pupil premium, recovery premium and sports grants, and school led tutoring grants, and rates relief.

LA funding represents around 46% (37% in 21/22) of income in the form of ongoing SLA's for high needs top up funding, and in 22/23, additional place base funding directly commissioned by local authorities which is demonstrated by the proportion of funding increasing in this area compared with last year. This has various effects on cash flow however as local authorities continue to be inconsistent with remitting payments owed and passing on other Government funding, for example the pay and pension grants.

Overall 4% (4% 21/22) of income is delivered through direct school commissioned places (this is when another school or academy contacts the Trust for alternative provision for a pupil directly). The remaining 1% of income comes from various donations, RPA claims, savings interest, consultancy income and some fundraising.

The mix of income does vary for different academies within the Trust; River Tyne Academy is more reliant on direct commissioned places from other Academy Trusts (11% of Income) in order to balance its budget; whereas the other academies in the Trust have historically more predictable base funding which covers operational and payroll costs. River Tees Middle and High (now to be known as River Tees Secondary) received 32% and 10% income respectively from LA's for additional commissioned places. River Tees Primary received 24% of its income this year for additional commissioned places from the LA's/maintained schools. This demonstrates an increase in the need for provision in the area.

In total payroll costs were on budget overall but there were some variances within the academies; River Tyne was better than budgeted due to unfulfilled vacancies; River Tees Middle and High the payroll was better than budgeted but the cost of agency staff compensated for the underspend. Specialist Team hired in Hospital teaching but serving the entire trust was then a higher than budgeted for cost which led to the neutral payroll cost position.

Operating costs were worse than budgeted at £1.896m (£1.563m budgeted) due to the reliance on agency staff and overspend in budget in this category. Notably transport costs for pupils were very high across the academies and this is being managed differently going forward with new agreements in place between the Academies and Local Authorities to bring transport costs under control in house. Utilities costs were also higher than budgeted.

Fixed asset investment included £45k on Furniture and equipment (£20k on aircon units); £38k on ICT (£16k of which was new accounts/budgeting and MIS reporting software); £61k on Motor vehicles (for the purpose of reducing pupil transport costs); and £167k on leasehold improvements 167k (largely River Tyne Academy costs-£100k on the final bill to complete the partly CIF funded project to upgrade the heating system at the Birtley site).

The cash balance at the end of the year of £2.855m increased by £708k from the cash position the same time last year (£2.147m). Cash payments have been received in advance of 23/24 academic year are responsible in part for this – net cash from operating activities £925k; investing activities (£216k).

The Trust now holds part of this cash balance in an ethical investment, into which £1m was invested in the year and which has gone down in value making a loss on of £21k at the year end. This investment is to be held where it is and an upturn is expected in the coming year.

£600k was invested in a short term (3 month) savings account with the same bank in which the current account is held to yield some short term gains in interest and which is more accessible should it be needed.

Overall Interest from savings is £1,549 this year end (£333 in 21/22), and a net dividend of £2,418.10 was issued as result of the ethical investment to the year ending 31.08.23.

# RIVER TEES MULTI ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### Reserves policy

The Finance and HR Committee regularly monitor the level of reserves. The Trust's reserves have a specific purpose that relates to future spending or covering current and future risks. The committee ensures that a prudent level of reserves are maintained, as well as guaranteeing that spending continues to support high quality learning provision. The committee considers the following as per the Trusts Reserves Policy:

- The Trust will hold 10% of the Trust's GAG and high needs place funding received from the LA, or 4 weeks of expenditure, whichever is the greater
- The Trust will also hold a contingency for emergency building repairs. This amount will be agreed on an annual basis as advised by the Finance and HR committee
- Reserves will be reviewed and monitored by the board of trustees on a termly basis to identify any trends in spending and to rectify issues where they arise.
- Reserves in excess of the maximum limit will be reviewed by the board of trustees, who may release funds into the revenue budget in furtherance of the trust's objectives or re-invest the funds to generate extra income for the trust's activities.
- The movement of funds to and from the reserve budget will be at the discretion of the board of trustees, or the finance and HR committee where delegated authority has been provided.

Future commitments previously approved to be funded from reserves are:

- Funding of 2 Wellbeing practitioners from September 2023 for 2 years (£203,000)
- Practice Development Group (£30,000)
- Trust office expansion (£18,000)
- Communications and Fundraising Manager from September 2023 for 2 years (£94,000)
- Trust Admin Support (£17,500)
- Condition report recommendations and likely existing estates capital improvement/investment (£91,000)
- Hospital Teaching Capital for relocation.

#### Investment policy

Where the trust decides to invest, the investment risk will be properly managed. When considering an investment, the board of trustees will:

- Act within its powers to invest as set out in its articles.
- Manage and track its financial exposure and ensure value for money.
- Exercise care and skill in investment decisions, taking advice as appropriate from a professional adviser.
- Ensure that exposure to investment products is tightly controlled so that the security of funds takes precedence over revenue maximisation.
- Ensure that investment decisions are in the best interests of the trust.

To minimise and limit the risk of investment, the trust will:

- Invest in markets where financial services are closely regulated.
- Adopt a suitably diversified portfolio.
- Avoid speculative forms of investment.

The trust will not invest in:

- Any organisation that is directly involved in indiscriminate weaponry.
- Any organisation that produces pornography.
- Any organisation where their principal business activity or focus is tobacco, alcoholic drink or gambling.

# RIVER TEES MULTI ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### Principal risks and uncertainties

Our main concerns were managing the impact of the COVID pandemic, safeguarding pupils, ensuring did not suffer a loss of learning and avoiding financial burden that would be unsustainable. River Tees Academy Grangetown (our Free Special School) opened on our Charlbury Road site with additional temporary accommodation made available at the Sulby Avenue site. The school will initially offer 32 places until the new school building is completed. Use of the Charlbury Road building by Grangetown does limit expansion of our other provisions in the area.

We hold a risk register that is constantly under review. The highest risks at the end of August 2022 are listed as:

- Opening the building for the Free School on time.
- Unfunded wage increases, inflation and the cost of energy.
- Cyber attack.
- Estate maintenance and management.

#### **Fundraising**

Fundraising events have taken place this year to help the schools vulnerable children and families' fund. Children and staff raised an amazing amount of money to provide some of the Academies with additional defibrillators so that all sites now have them in situ. The Academy Trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the CEO and Trustees.

#### **Plans for future periods**

Any decision about Trust development should be informed by a balanced view of risks and opportunities. We are strongly committed to achieving outstanding outcomes for all our learners and any Trust development must not be to the detriment of existing academies, staff and learners. We will focus on maintaining and improving quality until all learners have access to outstanding provision. Our staff are our key asset and we have made a commitment to invest in them, supporting them to become the best practitioners in the sector. We have high staff retention rates compared to all other sectors of education and are keen to open up training and development opportunities within the organisation wherever possible. Trust strategies will support a strong financial base, allowing us to remain in control of our own development in the future. Where opportunities to improve the lives of other learners present themselves, careful due diligence will be used to help decide whether the right decision is to extend our reach or to remain focussed on our existing offer.

The Trust Business Plan Key objectives for 23-24 are as follows;

- Continue to develop governance to full gaps at Trust and LGC levels. Continue to improve the quality of teaching.
- Review curriculum offer to include vocational options.
- Career development pathways in places for all roles. Review roles within the Executive Team and schools and further develop data reporting to inform future planning for recruitment. Embed the wellbeing strategy.
- Develop communications strategy and social media presence.
- Further develop income strategy to include charitable donations. Review central costing and charging approach.
- Implement Estate Management / sustainability strategy.
- Respond to emerging responses from green paper consultations and schools bill. Continue to develop outreach offer and commissioned places.

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

There are no funds held as custodian trustee on behalf of others.

# **RIVER TEES MULTI ACADEMY TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

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

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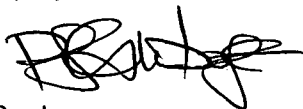
### **Auditor**

In so far as the trustees are aware:

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

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

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 06 December 2023 and signed on its behalf by:



P Cambage  
Chair

# RIVER TEES MULTI ACADEMY TRUST

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Scope of responsibility

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

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

The board of trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between River Tees Multi Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

### Governance

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

Trustees	Meetings attended	Out of possible
C Jones (Accounting Officer)	6	6
M Bruce	6	6
P Cambage (Chair)	5	6
Dr D Carrick-Sen	5	6
Ms C V Hoggard (Resigned 12 July 2023)	1	5
Ms L Mclean	4	6
Dr I G Iketon	6	6
H Ferguson	4	4
P Miller (Vice Chair)	6	6
K Stevens (Appointed 12 July 2023)	0	1

Our Governance structure is already well embedded. Our Trustees are highly committed and bring a range of experience from education, business and health sectors to our Board. We have committees for:

- Audit and Risk
- Finance and Human Resources
- Quality of Education

In addition, each academy (or group of academies depending on our assessment of need) has a Local Governing Committee and a Safeguarding and Attendance Board. The Local Governing Committee includes Trustees, representatives from the local community and staff. Our Board is risk aware but not risk averse. All decisions are made in line with our Scheme of Delegation.

An external National Governance Association review carried out in 2023 reported that:

This is a board of highly skilled and enthusiastic trustees, who recognise the importance of good governance and understand their strengths and weaknesses. As a result, the board is effective in carrying out its core governance functions:

1. The trust has a clear vision, ethos and strategic direction. All decisions are made with the vision and ethos in mind. There is a clear plan and ambition for growth.
2. The CEO is held to account for the educational performance of the organisation and its pupils.
3. Trustees oversee financial performance of the organisation well and understand the importance of achieving value for money.

# RIVER TEES MULTI ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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**The Finance & HR Committee** is a sub-committee of the main board of trustees. Its purpose is to consider the indicative funding in advance of the financial year. To contribute to the formulation of the Trusts and academies strategic plans through the consideration of financial priorities and proposals. To monitor and review expenditure and financial procedures and to keep under review the Trust's financial management and reporting arrangements. The HR elements ensure that the committee are confident that staff feel valued, are delivering the vision of the Trust and that processes are in place for succession planning. In addition, they maintain an overview of policies and processes and follow any procedures around pay and appraisals that may be referred to the Trust.

Trustees	Meetings attended	Out of possible
C Jones (Accounting Officer)	4	4
Dr I Iceton (Chair)	4	4
H Ferguson	3	4

The Audit & Risk Committee is a sub-committee of the main board of trustees. Its purpose is to consider the audit function with a focus on assurance arrangements and a risk assurance function with a focus on ensuring there is an adequate and effective risk management and assurance framework in place.

Trustees	Meetings attended	Out of possible
C Jones (Accounting Officer)	3	3
P Miller	3	3
L McLean (Vice Chair)	3	3
H Ferguson (Chair)	1	3

The newly appointed Trustees will be joining one of the committees in the upcoming academic year.

### Conflicts of interest

Trustees annually complete a declaration of interest form so that this can be managed accordingly and is recorded on the declarations of interest register, which is maintained by the Trust. At each board meeting, committee meeting all attendees are asked to declare any interest, which is recorded accordingly.

### Review of value for money

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

# RIVER TEES MULTI ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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

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

- Quality assurance of the Trust's collaborative review model that provides an evidence base for the impact of our work across all schools.
- Working in partnership with referring local authorities to review processes around allocation of top funds.
- Working with local authorities to develop new provision.
- Ensuring that the Governance committee structure provides effective oversight of financial decisions.
- Working with individual Headteachers to review spend and income on a monthly basis.
- Sharing resources across academies to support efficiencies.
- Continuing to implement our new financial software to ensure all those with responsibility for budgets can access the information.
- Recruiting a Human Resources Manager to run recruitment centrally, ensuring that retention is a priority through our wellbeing offer and to assist with monitoring of absence.
- Continuing to support staff to understand policies and processes.
- Developing digital skills across the organisation.
- Agreeing the Estate Management Strategy and overseeing it's implications.

#### **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 River Tees Multi Academy Trust for the period ended 31 August 2023 and up to the date of approval of the annual report and financial statements.

#### **Capacity to handle risk**

The board of trustees 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 board of trustees 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 ended to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

#### **The risk and control framework**

The 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 board of trustees
- regular reviews by the finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks.

# RIVER TEES MULTI ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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

- To appoint Clive Owen to perform internal audits. Two internal reviews took place in February 2023 and June 2023 looking at financial processes carried out on a daily basis.

Clive Owen's role includes giving advice on financial matters and performing a range of checks on the academy trusts financial systems. In particular, the checks carried out in the current period included:

- Procurement procedures
- review of staff expenses
- testing of month end procedures including management accounts
- income and cash security
- regularity and compliance
- other issues e.g. finance handbook, board of trustees and review of minutes and agenda.

The auditor reports to the board of trustees twice a year, on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. One area of low concerns was raised on the last visit as follows:

- To publish the whistleblowing policy on the Trust website. This was added to the website immediately.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by Clive Owen and a plan to address weaknesses and ensure continuous improvement of the system is in place, was delivered on time to the agreed schedule.

#### Review of effectiveness

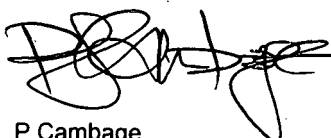
As accounting officer the Chief Executive Officer has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the external auditor
- the work of the internal auditor
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

Approved by order of the board of trustees on 06 December 2023 and signed on its behalf by:



C Jones  
Accounting Officer



P Cambage  
Chair

# RIVER TEES MULTI ACADEMY TRUST

## STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

**FOR THE YEAR ENDED 31 AUGUST 2023**

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

I confirm that I and the academy trust's board of trustees 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 Academy Trust Handbook 2022.

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

*C. Jones*

C Jones  
**Accounting Officer**

06 December 2023

# RIVER TEES MULTI ACADEMY TRUST

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

**FOR THE YEAR ENDED 31 AUGUST 2023**

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

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

In preparing these accounts, the trustees are required to:

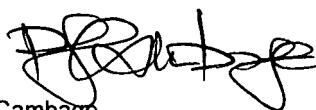
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

Approved by order of the members of the board of trustees on 06 December 2023 and signed on its behalf by:



P Cabbage  
Chair

# **RIVER TEES MULTI ACADEMY TRUST**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RIVER TEES MULTI ACADEMY TRUST**

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### **Opinion**

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

In our opinion the accounts:

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

### **Basis for opinion**

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

### **Emphasis of matter - LGPS disclosure**

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

### **Conclusions relating to going concern**

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

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

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

### **Other information**

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

We have nothing to report in this regard.

# RIVER TEES MULTI ACADEMY TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RIVER TEES MULTI ACADEMY TRUST (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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

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

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

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

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

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

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

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

### **Responsibilities of trustees**

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

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

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

# RIVER TEES MULTI ACADEMY TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RIVER TEES MULTI ACADEMY TRUST (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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

- Enquiry of senior leadership, Governors/Trustees and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations including compliance with the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency;
- Performing audit work over the recognition of grant income and the allocation of expenditure to funds;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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

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

### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 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.

*Azets Audit Services*

**Graham Fitzgerald BA FCA DChA (Senior Statutory Auditor)**  
for and on behalf of Azets Audit Services

*7/12/2023*  
.....

**Statutory Auditor**

Wynyard Park House  
Wynyard Avenue  
Wynyard  
United Kingdom  
TS22 5TB

# **RIVER TEES MULTI ACADEMY TRUST**

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO RIVER TEES MULTI ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

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

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

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

### **Respective responsibilities of River Tees Multi Academy Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of River Tees Multi Academy Trust's funding agreement with the Secretary of State for Education dated 29 March 2016 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Approach**

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

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

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

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

# RIVER TEES MULTI ACADEMY TRUST

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

**FOR THE YEAR ENDED 31 AUGUST 2023**

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The work undertaken to draw to our conclusion includes:

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

### Conclusion

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

*Azets Audit Services*

**Reporting Accountant**

Azets Audit Services

Dated: .....7/12/2023.....

# RIVER TEES MULTI ACADEMY TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds £	Restricted funds: General £ Fixed asset £	Total 2023 £	Total 2022 £
<b>Income and endowments from:</b>					
Donations and capital grants	3	-	1,851	133,645	135,496
Charitable activities:					
- Funding for educational operations	4	310,169	7,567,629	-	7,877,798
Other trading activities	5	3,389	-	-	3,389
Investments	6	4,762	-	-	4,762
<b>Total</b>		<b>318,320</b>	<b>7,569,480</b>	<b>133,645</b>	<b>8,021,445</b>
<b>Expenditure on:</b>					
Raising funds	7	307,304	19,497	-	326,801
Charitable activities:					
- Educational operations	9	7,215	7,020,578	321,570	7,349,363
Revaluation of investments		21,104	-	-	21,104
<b>Total</b>	<b>7</b>	<b>335,623</b>	<b>7,040,075</b>	<b>321,570</b>	<b>7,697,268</b>
<b>Net income/(expenditure)</b>		<b>(17,303)</b>	<b>529,405</b>	<b>(187,925)</b>	<b>324,177</b>
Transfers between funds	18	-	(177,800)	177,800	-
<b>Other recognised gains/(losses)</b>					
Actuarial gains on defined benefit pension schemes	20	-	1,017,000	-	1,017,000
Pension asset not recognised		-	(630,000)	-	(630,000)
<b>Net movement in funds</b>		<b>(17,303)</b>	<b>738,605</b>	<b>(10,125)</b>	<b>711,177</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		1,185,444	704,444	12,015,101	13,904,989
Total funds carried forward		1,168,141	1,443,049	12,004,976	14,616,166

# RIVER TEES MULTI ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2023

Comparative year information Year ended 31 August 2022	Notes	Unrestricted funds £	Restricted funds: General £	Fixed asset £	Total 2022 £
<b>Income and endowments from:</b>					
Donations and capital grants	3	-	-	166,161	166,161
Charitable activities:					
- Funding for educational operations	4	234,195	5,923,516	-	6,157,711
Other trading activities	5	69,155	-	-	69,155
Investments	6	233	-	-	233
<b>Total</b>		<b>303,583</b>	<b>5,923,516</b>	<b>166,161</b>	<b>6,393,260</b>
<b>Expenditure on:</b>					
Raising funds	7	226,884	-	-	226,884
Charitable activities:					
- Educational operations	9	6,003	6,470,858	319,725	6,796,586
<b>Total</b>	<b>7</b>	<b>232,887</b>	<b>6,470,858</b>	<b>319,725</b>	<b>7,023,470</b>
<b>Net income/(expenditure)</b>		<b>70,696</b>	<b>(547,342)</b>	<b>(153,564)</b>	<b>(630,210)</b>
Transfers between funds	18	(109,274)	(147,336)	256,610	-
<b>Other recognised gains/(losses)</b>					
Actuarial gains on defined benefit pension schemes	20	-	3,214,000	-	3,214,000
<b>Net movement in funds</b>		<b>(38,578)</b>	<b>2,519,322</b>	<b>103,046</b>	<b>2,583,790</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		1,224,022	(1,814,878)	11,912,055	11,321,199
Total funds carried forward		1,185,444	704,444	12,015,101	13,904,989

# RIVER TEES MULTI ACADEMY TRUST

## BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
<b>Fixed assets</b>					
Tangible assets	13		12,004,976		12,015,101
<b>Current assets</b>					
Debtors	14	709,771		596,087	
Investments	15	978,896		-	
Cash at bank and in hand		1,878,323		2,150,565	
		3,566,990		2,746,652	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	16	(955,800)		(587,764)	
<b>Net current assets</b>			2,611,190		2,158,888
<b>Net assets excluding pension liability</b>			14,616,166		14,173,989
Defined benefit pension scheme liability	20		-		(269,000)
<b>Total net assets</b>			14,616,166		13,904,989
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>	18				
- Fixed asset funds			12,004,976		12,015,101
- Restricted income funds			1,443,049		973,444
- Pension reserve			-		(269,000)
<b>Total restricted funds</b>			13,448,025		12,719,545
<b>Unrestricted income funds</b>	18		1,168,141		1,185,444
<b>Total funds</b>			14,616,166		13,904,989

The accounts on pages 31 to 57 were approved by the trustees and authorised for issue on 06 December 2023 and are signed on their behalf by:



P Cambage  
Chair

Company registration number 09861442 (England and Wales)

# RIVER TEES MULTI ACADEMY TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>					
Net cash provided by operating activities	21		879,692		245,778
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		4,762		233	
Capital grants from DfE Group		133,645		158,593	
Purchase of tangible fixed assets		(311,445)		(434,345)	
Purchase of investments		(978,896)		-	
Proceeds from sale of tangible fixed assets		-		19,142	
<b>Net cash used in investing activities</b>			(1,151,934)		(256,377)
<b>Net decrease in cash and cash equivalents in the reporting period</b>			(272,242)		(10,599)
Cash and cash equivalents at beginning of the year			2,150,565		2,161,164
<b>Cash and cash equivalents at end of the year</b>			1,878,323		2,150,565

# RIVER TEES MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### 1 Accounting policies

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

##### 1.1 Basis of preparation

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

##### 1.2 Going concern

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

The reported share of the LGPS deficit has significant impact on our restricted funds, however we draw your attention to the cash reserves held by the academy as well as the balances held in unrestricted and restricted general reserves.

##### 1.3 Income

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

###### Grants

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

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

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

###### Sponsorship income

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

###### Donations

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

# RIVER TEES MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### 1 Accounting policies

(Continued)

##### 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.

##### Donated goods, facilities and services

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

##### Donated fixed assets

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

#### 1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

##### Expenditure on raising funds

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

##### Charitable activities

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

#### 1.5 Tangible fixed assets and depreciation

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

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

# RIVER TEES MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 1 Accounting policies

(Continued)

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

Leasehold land	125 years
Leasehold buildings	50 years
Leasehold improvements	50 years
Computer equipment	2 years
Fixtures, fittings and equipment	4 years
Motor vehicles	4 years

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

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

#### 1.6 Liabilities

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

#### 1.7 Leased assets

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

#### 1.8 Investments

#### 1.9 Financial instruments

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

##### Financial assets

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

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

##### Financial liabilities

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

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

# RIVER TEES MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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### 1 Accounting policies

(Continued)

#### 1.10 Taxation

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

#### 1.11 Pensions benefits

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

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

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

#### 1.12 Fund accounting

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

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

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

### 2 Critical accounting estimates and areas of judgement

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

# RIVER TEES MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### 2 Critical accounting estimates and areas of judgement

(Continued)

##### 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 land and buildings valuation has been estimated by trustees based on the valuation applied to similar sized academy premises in Middlesbrough.

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 20, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability. The UK corporate bond yields at 31 August 2023 are at their highest levels for many years resulting in higher accounting discount rates at the year end. This places a significantly lower value on the pension obligations compared to last year and will be one of the main reasons a net asset has been reported. We have ensured that our assumptions are appropriate for the Academy Trust and the valuation has been based on the following estimates:

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

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

##### Land and buildings

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

##### Depreciation

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

# RIVER TEES MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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**3 Donations and capital grants**

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total 2023 £</b>	<b>Total 2022 £</b>
Private sponsorship	-	1,851	1,851	-
Donated fixed assets	-	-	-	7,568
Capital grants	-	133,645	133,645	158,593
	<u>-</u>	<u>135,496</u>	<u>135,496</u>	<u>166,161</u>
	<u>-</u>	<u>135,496</u>	<u>135,496</u>	<u>166,161</u>

# RIVER TEES MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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

<b>Educational operations</b>	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total 2023 £</b>	<b>Total 2022 £</b>
<b>DfE/ESFA grants</b>				
General annual grant (GAG)	-	3,507,786	3,507,786	3,089,760
Other DfE/ESFA grants:				
- UIFSM	-	-	-	186,536
- Pupil premium	-	134,849	134,849	99,832
- PE and sports premium	-	12,000	12,000	2,150
- Rates reclaim	-	18,603	18,603	17,664
- Others	-	60,183	60,183	40,435
	-	3,733,421	3,733,421	3,436,377
<b>Other government grants</b>				
Local authority grants	-	3,729,275	3,729,275	2,424,551
<b>COVID-19 additional funding</b>				
<b>DfE/ESFA</b>				
Other DfE/ESFA COVID-19 funding	-	104,933	104,933	58,238
<b>Non-DfE/ESFA</b>				
Other COVID-19 funding	-	-	-	4,350
	-	104,933	104,933	62,588
<b>Other incoming resources</b>	302,954	-	302,954	228,192
<b>Total funding for educational operations</b>	302,954	7,567,629	7,870,583	6,151,708
<b>Catering income</b>	7,215	-	7,215	6,003
<b>Total funding</b>	310,169	7,567,629	7,877,798	6,157,711

### 5 Other trading activities

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total 2023 £</b>	<b>Total 2022 £</b>
Other income	3,389	-	3,389	69,155

# RIVER TEES MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Short term deposits	4,762	-	4,762	233

### 7 Expenditure

	Staff costs £	Non-pay expenditure Premises £	Other £	Total 2023 £	Total 2022 £
Expenditure on raising funds					
- Direct costs	294,627	-	32,174	326,801	226,884
Academy's educational operations					
- Direct costs	3,779,248	-	623,883	4,403,131	4,176,391
- Allocated support costs	1,782,320	862,412	301,500	2,946,232	2,620,195
Revaluation of investments	-	-	21,104	21,104	-
	5,856,195	862,412	978,661	7,697,268	7,023,470

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

	2023 £	2022 £
Operating lease rentals	37,726	45,573
Depreciation of tangible fixed assets	321,570	338,866
Gain on disposal of fixed assets	-	(19,141)
Fees payable to auditor for:		
- Audit	13,950	11,750
- Other services	4,800	5,250
Net interest on defined benefit pension liability	10,000	51,000

# RIVER TEES MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 8 Central services

The MAT charges the schools 5% of GAG and alternative provision funding and top up funding

The services provided include:

- Central recharges
- CEO and the central administrative costs
- Trust improvements
- Financial Services
- HR and payroll services
- SLA recharges
- Education support services
- Legal services
- ICT services
- Estates management

The amounts charged during the year were as follows:

	2023 £	2022 £
River Tees Primary	16,566	36,139
River Tees Middle	40,999	68,208
River Tees High	40,841	65,246
River Tyne Academy Gateshead	51,618	89,919
River Tees Academy Grangetown	23,501	-
	<u>173,525</u>	<u>259,512</u>

### 9 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
<b>Direct costs</b>				
Educational operations	-	4,403,131	4,403,131	4,176,391
<b>Support costs</b>				
Educational operations	7,215	2,939,017	2,946,232	2,620,195
	<u>7,215</u>	<u>7,342,148</u>	<u>7,349,363</u>	<u>6,796,586</u>

# RIVER TEES MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 9 Charitable activities

(Continued)

	2023 £	2022 £
<b>Analysis of support costs</b>		
Support staff costs	1,792,372	1,448,409
Depreciation	321,570	319,725
Technology costs	8,006	97,368
Premises costs	540,842	497,487
Legal costs	19,185	35,075
Other support costs	236,782	197,281
Governance costs	27,475	24,850
	<u>2,946,232</u>	<u>2,620,195</u>

### 10 Staff

#### Staff costs

Staff costs during the year were:

	2023 £	2022 £
Wages and salaries	4,138,030	3,496,777
Social security costs	420,311	336,864
Pension costs	914,477	1,287,356
Staff costs - employees	<u>5,472,818</u>	<u>5,120,997</u>
Agency staff costs	383,377	218,922
	<u>5,856,195</u>	<u>5,339,919</u>
Staff development and other staff costs	55,053	46,302
	<u>5,911,248</u>	<u>5,386,221</u>

#### Staff numbers

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

	2023 Number	2022 Number
Teachers	42	35
Administration and support	79	74
Management	11	8
	<u>132</u>	<u>117</u>

# RIVER TEES MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 10 Staff

(Continued)

#### Higher paid staff

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

	2023 Number	2022 Number
£60,001 - £70,000	4	1
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-
£100,001 - £110,000	-	1
£110,001 - £120,000	1	-
	<u>      </u>	<u>      </u>

#### Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension and national insurance contributions) received by key management personnel for their services to the academy trust was £613,617 (2022: £504,502).

### 11 Trustees' remuneration and expenses

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

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

C Jones (CEO)	
Remuneration	£115,001 - £120,000 (2022: £105,001 - £110,000)
Employer's pension contributions	£25,001 - £30,000 (2022: £25,001 - £30,000)

### 12 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. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

# RIVER TEES MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 13 Tangible fixed assets

	Land and buildings	Leasehold improvements	Computer equipment	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£	£	£
<b>Cost</b>						
At 1 September 2022	11,166,000	1,615,285	688,198	230,459	-	13,699,942
Additions	-	166,684	38,226	45,318	61,217	311,445
At 31 August 2023	11,166,000	1,781,969	726,424	275,777	61,217	14,011,387
<b>Depreciation</b>						
At 1 September 2022	833,265	55,474	636,255	159,847	-	1,684,841
Charge for the year	199,668	34,888	51,173	32,897	2,944	321,570
At 31 August 2023	1,032,933	90,362	687,428	192,744	2,944	2,006,411
<b>Net book value</b>						
At 31 August 2023	10,133,067	1,691,607	38,996	83,033	58,273	12,004,976
At 31 August 2022	10,332,735	1,559,811	51,943	70,612	-	12,015,101

### 14 Debtors

	2023 £	2022 £
Trade debtors	107,889	96,602
VAT recoverable	56,129	32,742
Other debtors	1,116	681
Prepayments and accrued income	544,637	466,062
	<u>709,771</u>	<u>596,087</u>

### 15 Current asset investments

	£
Acquisition at cost:	1,000,000
Revaluation of investment:	<u>(21,104)</u>
Market value at 31st August 2023:	<u>978,896</u>

# RIVER TEES MULTI ACADEMY TRUST

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

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

	2023 £	2022 £
Trade creditors	145,343	128,486
Other taxation and social security	101,302	81,084
Other creditors	96,182	90,534
Accruals and deferred income	612,973	287,660
	<u>955,800</u>	<u>587,764</u>

### 17 Deferred income

	2023 £	2022 £
Deferred income is included within:		
Creditors due within one year	<u>417,618</u>	<u>13,768</u>
Deferred income at 1 September 2022	13,768	19,049
Released from previous years	(13,768)	(19,049)
Resources deferred in the year	<u>417,618</u>	<u>13,768</u>
Deferred income at 31 August 2023	<u>417,618</u>	<u>13,768</u>

Included in deferred income is rates relief received in advance.

# RIVER TEES MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 18 Funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2023 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	84,152	3,507,786	(3,329,986)	(177,800)	84,152
Pupil premium	-	134,849	(134,849)	-	-
Other DfE/ESFA COVID-19 funding	-	104,933	(104,933)	-	-
Other DfE/ESFA grants	-	60,183	(60,183)	-	-
Other government grants	889,292	3,729,275	(3,259,670)	-	1,358,897
PE and sports premium	-	12,000	(12,000)	-	-
Rates reclaim	-	18,603	(18,603)	-	-
Other restricted funds	-	1,851	(1,851)	-	-
Pension reserve	(269,000)	-	(118,000)	387,000	-
	<u>704,444</u>	<u>7,569,480</u>	<u>(7,040,075)</u>	<u>209,200</u>	<u>1,443,049</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	5,062,361	-	(88,600)	-	4,973,761
DfE group capital grants	359,562	133,645	(29,655)	-	463,552
Capital expenditure from GAG	1,311,390	-	(89,845)	177,800	1,399,345
Donated assets	4,805	-	(2,402)	-	2,403
Gateshead leased buildings	5,276,983	-	(111,068)	-	5,165,915
	<u>12,015,101</u>	<u>133,645</u>	<u>(321,570)</u>	<u>177,800</u>	<u>12,004,976</u>
<b>Total restricted funds</b>	<u>12,719,545</u>	<u>7,703,125</u>	<u>(7,361,645)</u>	<u>387,000</u>	<u>13,448,025</u>
<b>Unrestricted funds</b>					
General funds	<u>1,185,444</u>	<u>318,320</u>	<u>(335,623)</u>	<u>-</u>	<u>1,168,141</u>
<b>Total funds</b>	<u>13,904,989</u>	<u>8,021,445</u>	<u>(7,697,268)</u>	<u>387,000</u>	<u>14,616,166</u>

# RIVER TEES MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### 18 Funds

(Continued)

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

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

Other DfE/ESFA grants include pupil premium, rate grants, Universal Infant Free School Meal and PE grant.

Other grants include SEN funding for pupils with special educational needs, High Needs top up funding and Home & Hospital Funding income.

DfE/ESFA Capital Grants consist of the devolved capital, all of which has been utilised in the year with no capital funds carried forward. The trust has also utilised other funds on capital assets, with transfers taking place to reflect this expenditure..

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

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

At 31 August 2023 the academy had restricted general and unrestricted funds of £2,611,190.

# RIVER TEES MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 18 · Funds

(Continued)

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	43,391	3,089,760	(2,901,663)	(147,336)	84,152
UIFSM	-	186,536	(186,536)	-	-
Pupil premium	55,719	99,832	(155,551)	-	-
Other DfE/ESFA COVID-19 funding	-	58,238	(58,238)	-	-
Other Coronavirus funding	-	4,350	(4,350)	-	-
Other DfE/ESFA grants	9,720	40,435	(50,155)	-	-
Other government grants	889,292	2,424,551	(2,424,551)	-	889,292
PE and sports premium	4,000	2,150	(6,150)	-	-
Rates reclaim	-	17,664	(17,664)	-	-
Other restricted funds	1,000	-	(1,000)	-	-
Pension reserve	(2,818,000)	-	(665,000)	3,214,000	(269,000)
	<u>(1,814,878)</u>	<u>5,923,516</u>	<u>(6,470,858)</u>	<u>3,066,664</u>	<u>704,444</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	5,150,961	-	(88,600)	-	5,062,361
DfE group capital grants	230,706	158,593	(32,500)	-	356,799
Capital expenditure from GAG	1,151,985	-	(97,205)	256,610	1,311,390
Donated assets	-	7,568	(2,763)	-	4,805
Gateshead leased buildings	5,378,403	-	(98,657)	-	5,279,746
	<u>11,912,055</u>	<u>166,161</u>	<u>(319,725)</u>	<u>256,610</u>	<u>12,015,101</u>
<b>Total restricted funds</b>	<u>10,097,177</u>	<u>6,089,677</u>	<u>(6,790,583)</u>	<u>3,323,274</u>	<u>12,719,545</u>
<b>Unrestricted funds</b>					
General funds	<u>1,224,022</u>	<u>303,583</u>	<u>(232,887)</u>	<u>(109,274)</u>	<u>1,185,444</u>
<b>Total funds</b>	<u>11,321,199</u>	<u>6,393,260</u>	<u>(7,023,470)</u>	<u>3,214,000</u>	<u>13,904,989</u>

# RIVER TEES MULTI ACADEMY TRUST

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

### 18 Funds

(Continued)

#### Total funds analysis by academy

	2023 £	2022 £
Fund balances at 31 August 2023 were allocated as follows:		
River Tees Primary	595,329	598,008
River Tees Middle	1,669,725	1,471,239
River Tees High	64,029	60,294
River Tyne Academy Gateshead	(194,605)	(436,875)
River Tees Academy Grangetown	209,097	-
Central services	267,615	466,222
Total before fixed assets fund and pension reserve	2,611,190	2,158,888
Restricted fixed asset fund	12,004,976	12,015,101
Pension reserve	-	(269,000)
Total funds	14,616,166	13,904,989

Emergency capital work was needed at the Birtley site in Gateshead in the prior year to ensure that the building could be made safe for pupils. The Trustees agreed to loan the funds from reserves and the loan will be paid back to the Trust over the next 5 years.

#### Total cost analysis by academy

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

	Teaching and educational support staff £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2023 £	Total 2022 £
River Tees Primary	443,628	151,510	51,246	82,577	728,961	416,874
River Tees Middle	654,504	313,151	114,201	146,326	1,228,182	668,609
River Tees High	1,080,664	357,209	162,132	197,241	1,797,246	924,309
River Tyne Academy Gateshead	1,140,320	577,374	182,544	273,608	2,173,846	2,032,358
River Tees Academy Grangetown	533,173	214,184	52,977	77,170	877,504	-
Central services	221,587	115,944	15,783	98,645	451,959	1,996,595
	4,073,876	1,729,372	578,883	875,567	7,257,698	6,038,745

# RIVER TEES MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 19 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
<b>Fund balances at 31 August 2023 are represented by:</b>				
Tangible fixed assets	-	-	12,004,976	12,004,976
Current assets	1,168,141	2,398,849	-	3,566,990
Current liabilities	-	(955,800)	-	(955,800)
<b>Total net assets</b>	<b>1,168,141</b>	<b>1,443,049</b>	<b>12,004,976</b>	<b>14,616,166</b>
<b>Fund balances at 31 August 2022 are represented by:</b>				
Tangible fixed assets	-	-	12,015,101	12,015,101
Current assets	1,185,444	1,561,208	-	2,746,652
Current liabilities	-	(587,764)	-	(587,764)
Pension scheme liability	-	(269,000)	-	(269,000)
<b>Total net assets</b>	<b>1,185,444</b>	<b>704,444</b>	<b>12,015,101</b>	<b>13,904,989</b>

### 20 Pension and similar obligations

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

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

Contributions amounting to £92,157 (2022: £78,764) were payable to the schemes at 31 August 2023 and are included within creditors.

#### Teachers' Pension Scheme

##### Introduction

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

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

# RIVER TEES MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 20 Pension and similar obligations

(Continued)

#### Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors.

The 31 March 2016 TPS actuarial valuation results were implemented from 1 September 2019.

The key elements of the valuation and subsequent consultation were:

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

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

The employer's pension costs paid to the TPS in the period amounted to £300,416 (2022: £235,018).

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

#### Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 16.9% and 17.5% for employers and 5.5% - 12.5% for employees.

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

Total contributions made	2023 £	2022 £
Employer's contributions	329,000	283,000
Employees' contributions	116,000	100,000
Total contributions	445,000	383,000

# RIVER TEES MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 20 Pension and similar obligations

(Continued)

Principal actuarial assumptions	2023 %	2023 %	2022 %	2022 %
	Tyne & Wear	Teesside	Tyne & Wear	Teesside
Rate of increase in salaries	4.1	3.95	4.2	4.05
Rate of increase for pensions in payment/ inflation	2.6	29.5	2.7	3.05
Discount rate for scheme liabilities	5.0	5.2	4.1	4.25
Inflation assumption (CPI)	2.6	2.95	2.7	3.05
	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>

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

	2023 Years	2023 Years	2022 Years	2022 Years
	Tyne & Wear	Teesside	Tyne & Wear	Teesside
Retiring today				
- Males	21.0	21.3	21.8	21.7
- Females	24.1	23.5	25.0	23.5
Retiring in 20 years				
- Males	22.2	20.5	23.5	22.9
- Females	25.5	25.0	26.7	25.3
	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>

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

# RIVER TEES MULTI ACADEMY TRUST

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

### 20 Pension and similar obligations

(Continued)

#### The academy trust's share of the assets in the scheme

	2023 Fair value £	2022 Fair value £
Equities	2,727,300	2,233,400
Government bonds	21,000	21,000
Corporate bonds	301,000	248,000
Cash	27,000	336,200
Property	764,300	549,400
Other assets	363,400	175,000
Pension asset not recognised	(630,000)	-
Total market value of assets	3,574,000	3,563,000

The actual return on scheme assets was £232,000 (2022: £128,000).

#### Amount recognised in the Statement of Financial Activities

	2023 £	2022 £
Current service cost	437,000	897,000
Interest income	(158,000)	(55,000)
Interest cost	168,000	106,000
Total operating charge	447,000	948,000

#### Changes in the present value of defined benefit obligations

	2023 £	2022 £
At 1 September 2022	3,832,000	5,893,000
Current service cost	437,000	897,000
Interest cost	168,000	106,000
Employee contributions	116,000	100,000
Actuarial gain	(943,000)	(3,141,000)
Benefits paid	(36,000)	(23,000)
At 31 August 2023	3,574,000	3,832,000

# RIVER TEES MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 20 Pension and similar obligations

(Continued)

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

	2023 £	2022 £
At 1 September 2022	3,563,000	3,075,000
Interest income	158,000	55,000
Actuarial gain	74,000	73,000
Employer contributions	329,000	283,000
Employee contributions	116,000	100,000
Benefits paid	(36,000)	(23,000)
Pension asset not recognised	(630,000)	-
At 31 August 2023	3,574,000	3,563,000

#### 21 Reconciliation of net income/(expenditure) to net cash flow from operating activities

	Notes	2023 £	2022 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)		324,177	(630,210)
Adjusted for:			
Capital grants from DfE and other capital income		(133,645)	(166,161)
Investment income receivable	6	(4,762)	(233)
Defined benefit pension costs less contributions payable	20	108,000	614,000
Defined benefit pension scheme finance cost	20	10,000	51,000
Depreciation of tangible fixed assets		321,570	338,866
(Loss)/profit on disposal of fixed assets		-	(19,141)
(Increase) in debtors		(113,684)	(130,146)
Increase in creditors		368,036	187,803
Net cash provided by operating activities		879,692	245,778

#### 22 Analysis of changes in net funds

	1 September 2022 £	Cash flows £	31 August 2023 £
Cash	2,150,565	(272,242)	1,878,323

# RIVER TEES MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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### 23 Long-term commitments

#### Operating leases

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

	2023 £	2022 £
Amounts due within one year	30,496	30,496
Amounts due in two and five years	68,044	96,022
Amounts due after five years	7,553	10,071
	<u>106,093</u>	<u>136,589</u>

### 24 Related party transactions

Owing to the nature of the academy trust's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the academy trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures.

No related party transactions took place in the period of account.

### 25 Members' liability

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