Company registration number 10225404 (England and Wales)

STREETSBROOK ACADEMY TRUST

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2023

STREETSBROOK ACADEMY TRUST

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STREETSBROOK ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members	
	Mrs N Jamieson Mr N Smitten Miss S Lawless
Trustees	Mr A Pierssene (Chair) Mrs C Llewellyn Mrs L Minter (Headteacher) Mr M Rogers Mrs N Jamieson Mr N Chadaway
Senior management team	
- Headteacher	Mrs L Minter
- Deputy Headteacher	Mrs E Miller
- EYFS Leader	Mrs Z Ward
- Childcare Manager	Miss J Taylor
- SEN Co-ordinator	Mrs H Cooper (Resigned 25 May 2023)
- Business Manager	Mrs C O'Connor (Resigned 17 February 2023)
- Business Manager	Mrs F Miles (Appointed 20 February 2023)
Company registration number	10225404 (England and Wales)
Registered office	Streetsbrook Infant & Early Years Academy Ralph Road Shirley Solihull B90 3LB
Independent auditor	Sumer Auditco Limited The Beehive Beehive Ring Road London Gatwick Airport Gatwick RH6 0PA United Kingdom
Bankers	Lloyds Bank Poplar Road Solihull West Midlands B91 3AN

The trustees present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a trustees' report, and a directors' report and strategic report under company law.

The trust operates an academy for pupils from aged 3 to 7 serving a catchment area in Shirley. It has a pupil capacity of 240 and had a roll of 220 in the school census on 6 October 2022.

The academy trust's principle activities as outlined in the articles of association are as follows:

- to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum.

- to promote for the benefit of the inhabitants of the areas in which the Academies are situated the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Streetsbrook Academy Trust Limited are also the directors of the charitable company for the purposes of company law. Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

The charitable company is known as Streetsbrook Academy Trust and is also known as Streetsbrook Infant & Early Years Academy.

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

There are no qualifying third party indemnity provisions in place.

Method of recruitment and appointment or election of trustees

There are clearly defined and approved procedures for the selection and appointment of Trustees which are outlined in the Article of Association.

Trustees are appointed for a four year period, except that this time limit does not apply to the Headteacher. Subject to remaining eligible to be a particular type of Trustee, any governor may be re-elected or re-appointed.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to enhance the effectiveness of the trust.

Policies and procedures adopted for the induction and training of trustees

There is an Induction programme for each Trustee which includes the allocation of a mentor to each new Trustee and agreeing a dedicated training programme. The training and induction provided will depend on their experience but will always include an induction meeting with the Headteacher and Governor Mentor, a tour of the Academy and an opportunity to meet with staff and children. All Trustees have access to policies, procedures, minutes, accounts and budgets and other documents they will need to undertake their role as a Trustee. Trustees make regular use of the training packages offered by Solihull MBC Governor Services, Warwickshire Governor Services and the National College. All Trustees are subject to DBS checks.

Organisational structure

As of July 2023, the Academy Trust is made up of:

- 3 Member Appointed Trustees
- 2 Co-opted Trustees
- 4 Trustee / Governors
- 2 Parent Governors
- 1 Staff Governor
- Headteacher

The trustees have delegated the day-to-day responsibility of running the academy to the Headteacher, as CEO and Accounting Officer. Other work streams are delegated to the four committees, of which at least one of the trustees is a member.

- The Curriculum and Standards Committee
- The Finance and Audit Committee
- The Personnel Committee

The Curriculum & Standards Committee meets on a termly basis as does the Personnel & Pay Committee. The Finance & Audit Committee meet at least four times a year with a least one meeting being dedicated to the setting of the budget.

Objectives and activities

Objects and aims

At Streetsbrook, we strive to provide an equal chance for all to become responsible citizens who lead happy and fulfilled lives, and are equipped with the skills and abilities to shape the world they live in.

Aims

Every child matters at Streetsbrook, and to this end our aims are explicitly linked to the following six outcomes for children:

Be Healthy
- We aim to empower each child to become physically, mentally and emotionally healthy in order that they can learn effectively and choose a healthy lifestyle.

Stay Safe
- We aim to develop and sustain a happy and secure environment in which children become self-confident, articulate, emotionally aware, socially adept, literate and numerate in order to make the right life choices and, therefore, be inherently safer.

Enjoy and Achieve
- We aim to empower each child to experience the joy of learning and to achieve success, developing their capacity to learn independently and interdependently in order to choose to be positively engaged in lifelong learning.

Making a Positive Contribution
- We aim to empower each child to be actively engaged in the planning of their learning experiences. This gives them the confidence to express themselves in discussion and in writing and equips them with the necessary skills to choose to engage in social and community roles to become global citizens.

Achieve Economic Well-being
- We aim to empower each child to develop a positive attitude, become self-motivated, and develop key academic and social skills. This enables them to think creatively and choose to impact on, influence and shape the world they live in

Embrace our Schools Values and Culture
- We aim to empower each child to develop, socially, morally, ethically and spiritually.

This is underpinned by the following values:

Desire to Learn
To enjoy the lifelong process and challenge of learning; alone and with others.

Love and Respect
To have respect for ourselves, others and the environment, recognising and celebrating individual lifestyles, cultures and faiths.

Happiness
Developing successful relationships where individuals can build and follow their dreams.

Confidence
Having the self-belief to embrace and follow their own choices.

Being a Good Citizen
Making a positive contribution to communities on a local and global scale.

Objectives, strategies and activities

The impact of the COVID-19 pandemic continued to be felt in 2022-23, most notably in the behaviour of a small minority of children, and on the end of year outcomes of our Year 2 children. Significant staff long-term absence and maternity leave also provided some challenge, not least on the school's finances.

The main objectives of the academy during the year ended 31 August 2023 were as follows:

The Quality of Education
Teaching & Learning: · To secure good quality first teaching across the school (LM & EM) **Curriculum:** **School:** · To implement the 'Little Wandle' Phonics and Reading Scheme and the Mastering Number programme in order to improve outcomes in English and Maths (LM, EM & ZW) **Childcare** · To develop a secure knowledge and understanding of the new EYFS Framework and ensure any revisions to the curriculum enable children to continue to develop their thinking and problem-solving skills to build on their curiosity and to help them make the best possible progress in their learning (Ofsted, 2019)
Behaviour and Attitudes
Please see the Inclusion Action Plan for details
Personal Development
To embed the Characteristics of Effective Learning throughout the school (ZW)
Leadership & Management
School · To continue to develop and support subject leaders to ensure they are equipped with the knowledge, skills and understanding to lead their area(s) of responsibility **Governors** · To ensure all Governors take an active role in holding the school to account through the activities identified in the 'Annual Roles and Responsibilities' document **Childcare** · To develop a personalised programme of CPD to develop staff knowledge and understanding and improve daily practice and to sharpen the focus on monitoring staff practice and setting precise targets for how the quality of teaching can be raised to a higher level

Public benefit

The Trustees have complied with the requirement in Section 4 of the Charities Act 2011 to have due regard to the Charity Commissions guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning future activities.

Strategic report

Achievements and performance

In January 2023, the academy had its first Ofsted Inspection since March 2009. Feedback was extremely positive with the academy being judged to be good overall with outstanding judgements in Personal Development and Behaviour & Attitudes. The report stated:

'Streetsbrook Infant & Early Years Academy is a school where pupils thrive. They thoroughly enjoy attending and speak proudly of their school and their work. There are high expectations for all, and pupils relish doing their very best.'

Areas for development were identified by the academy in the initial discussion with the Lead inspector and confirmed in the report as follows:

- There is some variability in the way that phonics is delivered . This means that some pupils are not benefiting from a consistent approach to how they are taught phonics . Leaders should ensure that staff use the training they have had to deliver the phonics scheme consistently well in order to achieve the intended outcomes for pupils
- Leaders have not ensured that some pupils who are falling behind with reading always receive the right support at the right time. As a result, s ome pupils who are learning to read do not consistently receive the precisely targeted teaching that they need . This slows their learning and hampers them from catching up quickly. Leaders should make sure that there is sufficient focus on ensuring that pupils who are falling behind with reading receive high quality support and are able to catch up quickly.

In June, Streetsbrook was selected to participate in a local authority external moderation of our end of KS1 Teacher Assessment judgments. This process involved a half day visit by two LA approved moderators. During the visit, moderators and Year 2 class teachers shared work samples and engaged in a professional discussion around the judgements made about a randomly selected sample of children, across the ability range, in Reading, Writing and Maths.

'The pupil can' statements in the Standards and Testing Agency Teacher Assessment Framework were used to systematically review the samples to ensure the accuracy of teacher judgements.

All of the judgements made by our Year 2 class teachers (a total of 18) were agreed by the visiting moderation team. We were complemented on the quality and robustness of our evidence and on the informed contributions made to professional discussions by our staff.

Key performance indicators

The assessment processes for the End of Key Stage 1 are based on a series of observations, scrutiny of work, informal tests, phonic screening and the End of Key Stage 1 assessments which are completed in the Summer Term prior to them moving to the Junior School.

The focus is based on whether the child has made the Age Related Expectations for that Year (ARE). Teacher assessments throughout the year are recorded on our School Management System – SIMS.

Achievements in the period from 1 September 2022 – 31 August 2023 have seen the lowest outcomes we have ever had in KS1; the reasons for this are well documented and include:

- 24% SEND across the cohort
- significant missed/disrupted learning for this cohort of children in Nursery and Reception as a result of COVID-19 and some further disruption in Year 1 for the same reason
- the impact of staff absence on SEND support, interventions and tutoring

However, we saw some of our best end of year outcomes in EYFS and in the Phonics Check following the implementation of the Little Wandle Phonics and Reading scheme.

EYFS Results 2023

- 83% of the children achieved a Good Level of Development (GLD), compared to 67% nationally

Year 1 Phonics Results 2023

- 90% of the Year 1 cohort met the expectations of the Phonics Check compared to 80% nationally

Year 2 Phonics Check

- 87% of the Year 2 cohort met the expectations of the Phonics Check

KS1 Results 2023

- The following table shows the % of children who met the expected standard or above:

	Reading	Writing	Maths
Expected +	65%	42%	62%
Greater Depth	22%	7%	17%
Expected	43%	35%	45%
Working Towards	13%	33%	22%
Pre-Key Stage	22%	25%	17%

We continued to prioritise the importance of positive mental health for all children through the use of Jigsaw and nurture sessions. We also embedded the Characteristics of Learning throughout the school.

Catch-up, Recovery Funding and School Led Tutoring

Academic Year	**2022-23**	**Number of pupils (Reception-Yr2)**	**27 pupils**
Recovery Funding (Reception-Yr2)	£2,972	School Led Tutoring based on	27 pupils 108 hrs £1,700

The Academy received a Recovery Premium of £2,972 and School Led Tutoring of £1,700 in 2022-23. The key focus for interventions was on Phonics with a particular focus on 'off track' children in Year 1. Long-term staff absence did impact on our original plans, but due to the re-deployment of two members of staff the interventions were able to take place from the Spring Term.

Attendance

Pupil attendance has continued to be very good. Good attendance is promoted to parents and children through the weekly newsletter and the monthly attendance award. Termly letters go to parents when a pupils attendance has reached under 90%. Daily attendance is monitored and registers are completed by 9.30am every morning.

Self-Evaluation Processes

Throughout this academic year, our School Improvement Plan and SEF have been updated to reflect the changing picture of our Academy and the needs of our children. We have identified our areas of strength and areas for development using a range of information including self-evaluation and external agencies reports.

The Pupil Premium Strategy identifies funding available and what our priorities are for the children who are identified as vulnerable. A clear action plan has been developed to indicate how the funds will be spent to support the teaching and learning for these children. An impact report is then completed to evaluate against these actions.

The Trustees aim to ensure that the academy meets the following financial requirements:

- Operates within its means and remains solvent
- Achieves best value for all activities undertaken and contracted services
- Maintains appropriate reserves
- Maintain a balanced budget moving forward, taking likely contingencies into account
- Seeks to maintain the numbers of children in the school

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, the board of trustees continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

Financial review

Most of the Academy's income is obtained from the DfE via the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants from the DfE during the period ending 31 August 2022 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

Grant funding from the DfE is not sufficient to cover the educational operation of the academy.

The Academy also receives an income from Streetsbrook Childcare.

A total of £562,032 was added to the reserves, of this £657,000 relates to the actuarial gain on the Local Government Pension Scheme.

Whilst the Academy has a good intake of pupils, risks to revenue funding from a falling roll are small. However, increasing employment and premises costs related to the cost of living increases has meant that the budget is increasingly tight.
The Governors examine the financial health formally every half term, reviewing performance against budgets and overall expenditure by means of regular update reports at all Governors and Finance Committee meetings.

At the year end the academy has no liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity.

The Trustees recognise that the defined benefit scheme (Local Government Pension Scheme) represents a significant potential liability. However, as the Trustees consider that the Academy is able to meet its known annual contribution commitments to the foreseeable future, the risk to the liability is minimised.

Reserves policy

The Trustees review the reserve levels of the Academy on a half-termly basis. The review encompasses the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified in the risk review. The Academy continues to follow the recommendation of the Local Authority not to exceed a reserve of restricted funds in excess of 8% of its total budget.

The Academy's current level of unrestricted reserves is £15,276. The Trustees plan to use these funds to maintain the Academy's staffing structure.

Investment policy

Cash reserves which are deemed to be significant and long-term, may be invested in Treasury deposits with maturity dates which do not result in the cash funds being unavailable for longer than 8 weeks upon agreement of the Trustees.

Principal risks and uncertainties

The Governors have implemented a number of systems to assess risks that the Academy faces, especially in the strategic risk areas and in relation to financial control. Systems have been introduced, including operational procedures and internal financial controls to minimise risk. The academy has an effective system of internal financial controls.

The Governors consider the principle risks and uncertainties facing the academy are:

- Complying with all legislative requirements regarding employment law, data protection, discrimination, child protection and the rules and regulations and legal requirements of Companies House, HMRC and the Charity Commission.

Financial risks:

- Not operating within the budget, and running a deficit
- Changes in funding
- Inability to maintain current staffing ratios due to lack of funding which will impact significantly on educational standards
- General Annual Grant is provided as 'flat cash' which does not take into account pay awards, inflationary increases and increasing employers pension contributions
- Inappropriate or insufficient financial controls and systems
- Impact of having a significant number of children with complex SEND needs, many requiring additional 1:1 support to enable them to access mainstream provision without impacting on the education of the rest of the class.

The key controls used by the Academy include:

- Detailed Terms of Reference for all committees
- Formal agendas and minutes for the Trustees, Governing Body and Committees
- Scheme of Governance and Decision Making Matrix
- Formal written policies
- Clear authorisation and approval levels
- Policies and procedures required by law to protect the vulnerable

The charities that have benifitted this year from the support provided by Streetsbrook Infant & Early Years Academy have been:

- Royal British Legion
- Children in Need
- Macmillan Cancer Support
- Educaid
- Renewal Foodbank

Funds have continued to be raised on a voluntary basis through a range of dressing up days, nonuniform days and donations, mainly organised by the School Council.

As an Academy we also have a fundraising association – Parent, Teacher, Association (PTA). This is a fundraising group that operate from within the Academy. The aim of the PTA is to raise funds that are spent solely on buying resources and experiences for the children within the Academy.

The PTA normally raise money throughout the year by organising discos and events such as the Christmas and Summer fair.

All contributions are on a voluntary basis and in line with the Charities Act 2016 we ensure that there is no undue pressure put upon people to give money or resources to help the fundraising campaign.

As an Academy we seek to comply with best practice at all times and there have been no complaints about our practice with regard to Fundraising or Charity work with others.

Plans for future periods

The Improvement Priorities for 2023-24 are as follows:

The Quality of Education
• To embed Little Wandle across the school and ensure the scheme is delivered consistently well in order to achieve the intended outcomes for our children • To further develop our Reading for Pleasure (RfP) provision to motivate and inspire children to develop a life-long love of reading To embed Little Wandle across the school and ensure the scheme is delivered consistently well in order to achieve the intended outcomes for our children
Behaviour and Attitudes
This is not a priority for 2023-24; provision was judged to be outstanding
Personal Development
This is not a priority for 2023-24; provision was judged to be outstanding
Leadership & Management
Please see CAPs.

As well as our three improvement priorities, we also have a focus on inclusion in its broadest sense and a planned review of our SEND provision.

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.

Sumer Auditco Limited was appointed auditor to the charitable company. A resolution proposing re-appointment 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 07 December 2023 and signed on its behalf by:

Mr A Pierssene
Chair

Scope of responsibility

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

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

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met four times during the period from 1 September 2022 – 31 August 2023. In addition, Trustees play an active role as Governors. The table below shows their attendance at Trust Board meetings, Governor meetings, and sub-committee meetings:

Trustees	Meetings attended	Out of possible
Mr A Pierssene (Chair)	4	5
Mrs C Llewellyn	11	13
Mrs L Minter (Headteacher)	16	16
Mr M Rogers	8	13
Mrs N Jamieson	7	13
Mr N Chadaway	9	13

The Finance, Risk and Audit Committee is a sub-committee of the main board of Governors. Its purpose is to provide financial oversight for the Academy. This includes:

- monitoring, evaluating and reviewing policy and performance in relation to financial management
- ensuring compliance with reporting and regulatory requirements
- setting targets to measure financial and other performance
- receiving and acting upon reports from the Responsible Officer
- drafting the annual budget
- identifying and managing risks

There were 4 meetings for the Finance & Audit Committee between 1 September 2022 to the end of August 2023.

Conflicts of interest

Streetsbrook Academy Trust have an up-to-date and complete Register of Interests. This is reviewed on a termly basis at Full Governors' Meetings. To date, we have not been in a situation where there has been any conflicts of interest but should the Academy find itself in this situation, it would follow the procedures set out in the Conflict of interests Policy.

Governance reviews

The Governors complete an annual self-evaluation using the Governor Competency Framework; areas of strength and areas for development are identified and support, including relevant CPD, is identified for individuals as appropriate. Areas for ongoing development that have been highlighted from this year's review are Governors' knowledge and understanding of risk management as well as benchmarking ourselves with similar schools locally and nationally. Governors also benefit from annual 1:1 sessions with the Chair of Governors. The meetings aim to provide an evaluation of the impact of each Governor and focus on individual roles and responsibilities, mental health & well-being, training attended and the identification of any further CPD that is needed. Attendance at meetings is also reviewed.

Independent, external reviews have not taken place but will be considered in 2023-24.

Review of value for money

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

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

As Accounting officer, the Headteacher for the academy trust has ensured the best possible educational and wider outcomes through the, efficient and effective use of all the resources in the trust's charge, the avoidance of waste and extravagance and prudent and economical administration. This has been achieved by strict adherence to all agreed policies and procedures, open and transparent decisions about recruitment and deployment of staff, and rigorous monitoring of all aspects of the Academy's work.

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 Streetsbrook Academy Trust for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and accounts.

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 ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and accounts. 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.

The internal auditor has delivered their schedule of work as planned over the 2022/23 school year, no significant control issues were raised.

Review of effectiveness

As accounting officer the Headteacher has responsibility for reviewing the effectiveness of the system of internal control.

Approved by order of the board of trustees on 07 December 2023 and signed on its behalf by:

Mr A Pierssene
Chair

L C Minter

Mrs L Minter
Headteacher

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2023

As accounting officer of Streetsbrook 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.

LCMinter

Mrs L Minter
Accounting Officer

07 December 2023

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2023

The trustees (who are also the directors of Streetsbrook 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 07 December 2023 and signed on its behalf by:

Mr A Pierssene
Chair

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STREETSBROOK ACADEMY TRUST

FOR THE YEAR ENDED 31 AUGUST 2023

Opinion

We have audited the accounts of Streetsbrook 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.

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.

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:

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

Responsibilities of trustees

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

Auditor's responsibilities for the audit of the accounts

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

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

As part of our planning process:

- We enquired of management the systems and controls the academy has in place, the areas of the financial statements that are most susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The academy did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the academy.
- We considered the incentives and opportunities that exist in the academy, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the academy, together with the discussions held with the academy at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates, in particular in relation to gifts in kind
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Assessing the validity of the classification of income, expenditure, assets and liabilities between unrestricted and restricted funds.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing documentation such as the academy board minutes for discussions of irregularities including fraud.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with the trustees of the academy.

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.

Mr Richard Alan Horton FCCA (Senior Statutory Auditor)
for and on behalf of Sumer Auditco Limited

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Chartered Accountants
Statutory Auditor

The Beehive
Beehive Ring Road
London Gatwick Airport
Gatwick
United Kingdom
RH6 0PA

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

FOR THE YEAR ENDED 31 AUGUST 2023

In accordance with the terms of our engagement letter dated 22 November 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 Streetsbrook 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 Streetsbrook 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 Streetsbrook 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 Streetsbrook Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Streetsbrook Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Streetsbrook Academy Trust's funding agreement with the Secretary of State for Education dated 15 June 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.

The work undertaken to draw to our conclusion includes:

- obtaining sufficient understanding of the framework and authorities;
- discussion of procedures relating to regularity with the accounting officer;
- review of work performed during the internal audit function;
- tailoring of specific tests in the following areas:
- evaluation of the control environment
- testing the application of funds
- authorisation of expenditure
- review of accounts with a greater susceptibility to impropriety
- consideration of transactions outside of the delegated authority levels

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

FOR THE YEAR ENDED 31 AUGUST 2023

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.

Reporting Accountant
Sumer Auditco Limited

Dated: ....

STREETSBROOK ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds £	Restricted funds: General £	Restricted funds: Fixed asset £	Total 2023 £	Total 2022 £
Income and endowments from:						
Donations and capital grants	3	6,353	-	73,954	80,307	162,435
Charitable activities:						
- Funding for educational operations	4	62,578	1,364,853	-	1,427,431	1,328,111
Other trading activities	5	349,688	-	-	349,688	301,254
Investments	6	22	-	-	22	21
Total		418,641	1,364,853	73,954	1,857,448	1,791,821
Expenditure on:						
Raising funds	7	1,573	-	-	1,573	2,046
Charitable activities:						
- Educational operations	8	488,660	1,394,853	67,330	1,950,843	1,879,328
Total	7	490,233	1,394,853	67,330	1,952,416	1,881,374
Net income/(expenditure)		(71,592)	(30,000)	6,624	(94,968)	(89,553)
Other recognised gains/(losses)						
Actuarial gains on defined benefit pension schemes	20	-	657,000	-	657,000	1,578,000
Revaluation of fixed assets	12	-	-	-	-	771,120
Net movement in funds		(71,592)	627,000	6,624	562,032	2,259,567
Reconciliation of funds						
Total funds brought forward		86,868	(952,000)	3,427,324	2,562,192	302,625
Total funds carried forward		15,276	(325,000)	3,433,948	3,124,224	2,562,192

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Comparative year information
Year ended 31 August 2022

	Notes	Unrestricted funds £	Restricted funds: General £	Restricted funds: Fixed asset £	Total 2022 £
Income and endowments from:					
Donations and capital grants	3	7,894	-	154,541	162,435
Charitable activities:					
- Funding for educational operations	4	61,039	1,267,072	-	1,328,111
Other trading activities	5	301,254	-	-	301,254
Investments	6	21	-	-	21
Total		370,208	1,267,072	154,541	1,791,821
Expenditure on:					
Raising funds	7	2,046	-	-	2,046
Charitable activities:					
- Educational operations	8	312,738	1,498,072	68,518	1,879,328
Total	7	314,784	1,498,072	68,518	1,881,374
Net income/(expenditure)		55,424	(231,000)	86,023	(89,553)
Transfers between funds	18	2,902	-	(2,902)	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	20	-	1,578,000	-	1,578,000
Revaluation of fixed assets	12	-	-	771,120	771,120
Net movement in funds		58,326	1,347,000	854,241	2,259,567
Reconciliation of funds					
Total funds brought forward		28,542	(2,299,000)	2,573,083	302,625
Total funds carried forward		86,868	(952,000)	3,427,324	2,562,192

STREETSBROOK ACADEMY TRUST

BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	12		3,431,675		3,440,044
Current assets					
Stock	13	62		464	
Debtors	14	65,493		81,414	
Cash at bank and in hand		253,960		245,631	
		319,515		327,509	
Current liabilities					
Creditors: amounts falling due within one year	15	(277,401)		(224,707)	
Net current assets			42,114		102,802
Total assets less current liabilities			3,473,789		3,542,846
Creditors: amounts falling due after more than one year	16		(24,565)		(28,654)
Net assets excluding pension liability			3,449,224		3,514,192
Defined benefit pension scheme liability	20		(325,000)		(952,000)
Total net assets			3,124,224		2,562,192
Funds of the academy trust:					
Restricted funds	18				
- Fixed asset funds			3,433,948		3,427,324
- Pension reserve			(325,000)		(952,000)
Total restricted funds			3,108,948		2,475,324
Unrestricted income funds	18		15,276		86,868
Total funds			3,124,224		2,562,192

The accounts on pages 22 to 43 were approved by the trustees and authorised for issue on 07 December 2023 and are signed on their behalf by:

Mr A Pierssene
Chair

Company registration number 10225404 (England and Wales)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Cash flows from operating activities					
Net cash provided by operating activities	**21**		3,530		63,449
Cash flows from investing activities					
Dividends, interest and rents from investments		22		21	
Capital grants from DfE Group		73,954		154,541	
Purchase of tangible fixed assets		(65,088)		(159,109)	
Net cash provided by/(used in) investing activities			8,888		(4,547)
Cash flows from financing activities					
Repayment of other loan		(4,089)		(4,090)	
Net cash used in financing activities			(4,089)		(4,090)
Net increase in cash and cash equivalents in the reporting period			8,329		54,812
Cash and cash equivalents at beginning of the year			245,631		190,819
Cash and cash equivalents at end of the year			253,960		245,631

1 Accounting policies

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

1.1 Basis of preparation

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

1.2 Going concern

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

1.3 Income

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

Grants

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

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

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

Sponsorship income

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

Donations

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

Other income

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

1 Accounting policies **(Continued)**

Donated goods, facilities and services

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

Donated fixed assets

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

1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

1.5 Tangible fixed assets and depreciation

Assets costing £500 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.

1 Accounting policies **(Continued)**

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

Land and buildings	Between 20 and 125 years
Computer equipment	30% Straight Line Basis
Fixtures, fittings & equipment	20% Straight Line Basis

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 of services it must provide.

1.7 Leased assets

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

1.8 Financial instruments

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

Financial assets

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

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

Financial liabilities

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

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

1.9 Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Provision is made for obsolete and slow moving stock.

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 Accounting policies **(Continued)**

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 and include grants from the Education Funding Agency/Department for Education.

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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