

**Company registration number 08372064 (England and Wales)**

**DALES ACADEMIES TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

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

# DALES ACADEMIES TRUST

## CONTENTS

---

	<b>Page</b>
Reference and administrative details	1 - 2
Trustees' report	3 - 12
Governance statement	13 - 16
Statement on regularity, propriety and compliance	17
Statement of trustees' responsibilities	18
Independent auditor's report on the accounts	19 - 21
Independent reporting accountant's report on regularity	22 - 23
Statement of financial activities including income and expenditure account	24 - 25
Balance sheet	26
Statement of cash flows	27
Notes to the accounts including accounting policies	28 - 53

---

# DALES ACADEMIES TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

---

### Members

The Archbishop of York (Represented by the Right Reverend P Ferguson)  
The Diocesan Bishop of the Church of England (The Right Reverend N Baines)  
The Director of Education for the Diocese of Leeds (R Noake)  
One appointee of the Leeds Diocesan Board of Education (P Foskett)  
The Diocese of York Educational Trust (Represented by A Smith)

### Trustees

Rev S Bennett  
D Chubb (CEO)  
E Edwards  
The Right Reverend P Ferguson (Chair)  
J Hooton  
J Probert  
W Town  
C Brooks (Resigned 30 April 2023)  
G Thompson (Resigned 30 April 2023)  
P Bramley (Appointed 25 September 2023)

### Senior management team

- Chief Executive Officer	D Chubb
- Deputy CEO and Director of Primary	N Godbold
- Chief Financial Officer	F Dinwiddie
- Headteacher Ainderby Steeple Church of England Primary School	R Peart
- Headteacher All Saints Academy	A Lees
- Headteacher Barton Church of England Primary School, Ravensworth Church of England Primary School, East Cowton Church of England Primary School & Kirkby Fleetham Church of England Primary School	K Petch
- Headteacher Carnagill Community Primary School	L Newport
- Headteacher Croft Church of England Primary School	R Wallace
- Headteacher Trinity Academy Eppleby Forcett, Trinity Academy Middleton Tyas	D McLean
- Headteacher Trinity Academy Richmond	S Robson
- Headteacher St Francis of Assisi Church of England Primary School	L Probets
- Headteacher South Otterington Church of England Primary School	A Gledhill
- Headteacher Thornaby Church of England Primary School (Resigned 31 August 2023)	E Hughes-Narborough

### Company secretary

C Holmes

### Company registration number

08372064 (England and Wales)

# DALES ACADEMIES TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

---

**Principal and registered office** Blair Avenue  
Ingleby Barwick  
Stockton-On-Tees  
TS17 5BL

<b>Academies operated</b>	<b>Location</b>
All Saints Church of England Academy	Stockton-on-Tees
Barton Church of England Primary School	North Yorkshire
Croft Church of England Primary School	North Yorkshire
East Cowton Church of England Primary School	North Yorkshire
Ravensworth Church of England Primary School	North Yorkshire
South Otterington Church of England Primary School	North Yorkshire
Trinity Academy Eppleby Forcett	North Yorkshire
Ainderby Steeple Church of England Primary School	North Yorkshire
Kirkby Fleetham Church of England Primary School	North Yorkshire
Trinity Academy Middleton Tyas	North Yorkshire
Trinity Academy Richmond	North Yorkshire
Thornaby Church of England Primary School	Stockton-on-Tees
St Francis of Assisi Church of England Primary School	Stockton-on-Tees
Carnagill Community Primary School	North Yorkshire

**Independent auditor** Azets Audit Services  
Bulman House  
Regent Centre  
Gosforth  
Newcastle upon Tyne  
NE3 3LS

**Bankers** Lloyds Bank plc  
2nd Floor  
Skinnergate  
Darlington  
County Durham  
DL3 7ND  
United Kingdom

**Solicitors** Stone King LLP  
One Park Row  
Leeds  
LS1 5HN

# DALES ACADEMIES TRUST

## TRUSTEES' REPORT

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

---

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 under company law.

As of August 2023, Dales Academies Trust consists of fourteen academies (one secondary and thirteen primary) in North Yorkshire and Stockton LA areas comprising 2,445 pupils and 369 staff with an annual turnover of £16,890,595.

#### **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 (dated 12 September 2017) are the primary governing documents of the Academy Trust. The Trustees of Dales Academies Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Dales Academies Trust and includes the following academies:

- All Saints Church of England Secondary Academy
- Barton Church of England Primary School
- Croft Church of England Primary School
- East Cowton Church of England Primary School
- Kirkby Fleetham Church of England Primary School
- Ravensworth Church of England Primary School
- South Otterington Church of England Primary School
- Trinity Academy Eppleby Forcett
- Trinity Academy Middleton Tyas
- Trinity Academy Richmond
- Ainderby Steeple Church of England Primary School
- St Francis of Assisi Church of England Primary School
- Thornaby Church of England Primary School
- Carnagill Community Primary School

The Trustees of Dales Academies Trust are also the directors of the charitable company for the purposes of company law. Details of the Trustees who served during the year, and to the date these accounts are approved, are included in the Reference and Administrative Details on page 1.

##### Members' liability

The Members of the Company are the Archbishop of York, the Anglican Bishop of Leeds, the Director of Education for the Leeds Diocesan Board of Education, one person appointed by the Leeds Diocesan Board of Education and the Diocese of York Educational Trust. Each Member 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.

# DALES ACADEMIES TRUST

## TRUSTEES' REPORT (CONTINUED)

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

---

#### Trustees' indemnities

Subject to the provisions of the Companies Act 2006, every Trustee of the Trust shall be indemnified out of the assets of the trust against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which they are acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or trust in relation to the affairs of the Trust.

A Trustee may benefit from any indemnity insurance purchased at the Trust's expense to cover the liability of the Trustee which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Trust: Provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as directors of the Trust.

The charitable company is part of the RPA scheme which provides indemnity insurance of £10m for the Trustees.

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

The Members appoint a minimum of five Trustees. The Diocese of York Educational Trust appoints up to one Trustee as does the Leeds Diocesan Board of Education. With the consent of the Diocesan Board of Education the Trustees may appoint up to two Co-opted Trustees for a term not exceeding four years. The Board seeks to have a membership with an appropriate sets of skills. New Trustees are identified through local and regional networks including those of the Dioceses.

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

New Trustees are provided with a pack of documents pertinent to their role, including Code of Conduct, role descriptor, Scheme of Delegation etc. A programme of visits to Trust schools is also arranged as well as one to one meetings with the Chair, CEO and CFO. Appropriate training is flagged to individuals and also undertaken as a Board throughout the year.

#### Organisational structure

The Trust Board meets half termly, and Finance & Resources and Education & Standards committees meet termly; decisions made in these committees are ratified at full Board. An extensive and detailed annex to the Scheme of Delegation gives clarity to all within the Trust as to the level at which decisions are made. This is reviewed, updated and shared with LGBs on an annual basis. The CEO is the Accounting Officer.

The Board of Trustees are supported by the CEO and CFO, both of whom work full time for Dales.

Trust Headteachers play a significant role in the leadership of activities across the Trust. Primary Headteachers are also members of the Primary Headteachers' Forum which focuses specifically on the school improvement agenda and collaborative working.

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

The performance and subsequent remuneration of Executive Headteachers and Headteachers is discussed by Trustees at the Finance & Resources Committee, following recommendations from both the LGBs and the CEO. Committee decisions are then taken to Board for approval.

# DALES ACADEMIES TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

---

#### Engagement with employees

Employees are informed directly by management regarding any specific matters or areas of concern to them. The Trust has implemented a number of detailed policies in relation to all aspects of HR matters including pay and remuneration. Other policies also include:

- Equality policy
- Health and Safety policy
- Flexible working policy
- Leave policy
- Staff code of conduct policy

In accordance with the Trust's equal opportunities policy, the trust has long-established fair employment practices in the recruitment, selection, retention and training of all staff, including disabled persons.

#### Engagement with suppliers, customers and others in a business relationship with the academy trust

The Trust regularly engages with suppliers, customers and other relevant stakeholders. Trustees and Governors have a role in connecting our schools with the wider community of business and other professionals, to enhance the education and career aspirations of our pupils.

#### Principal Activities

The charitable company acts as sponsor for Church of England academies and those with no religious character with a view to providing a high standard of education to the communities in which they exist.

#### **Objectives and activities**

##### Objects and aims

The objects of the company are specifically restricted to the following:

- 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 Academies which shall offer a broad and balanced curriculum and which shall include:
- Church of England schools designated as such which shall be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and having regard to any advice issued by the Diocesan Board of Education; and
- other Academies whether with or without a designated religious character; but in relation to each of the Academies to recognise and support their individual ethos, whether or not designated Church of England.

##### Objectives, strategies and activities

The Trust's original mission is "to set up a Multi Academy Trust for North Yorkshire and the north of the Dioceses of York and Leeds, determined to deliver the very highest quality of education through collaboration, shared best practice and underpinned by our Christian ethos and values." Our Vision as a group of schools is that: "Working together for excellence, and rooted in quality, collaboration and care, we deliver exceptional learning experiences through inspirational teaching and nurturing a love of life-long learning. We dare greatly, travel hopefully and enable each other to flourish".

##### Public benefit

In line with the policy of the Church of England, the academies offer an education, with a Christian ethos, to the whole local community, encouraging good educational standards and engagement with the wider community. Our values underpin everything we do as communities. We understand these values are not exclusive to Church schools and welcome the opportunity to work with or support all schools not just those within the CofE faith. Staff and pupils are all encouraged and supported in exploring 'faith' and what it means to them, whilst appreciating and respecting, the viewpoints and faith of others.

# DALES ACADEMIES TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

---

### Strategic report

#### Achievements and performance

No further growth was planned in this period. The key priority for the last year was to support schools in the final transition to normal working after the period of the pandemic.

It was envisaged that in many cases this would be through the further supporting of effective school improvement, acknowledging that some aspects of this were on hold during the pandemic and were impacted by a lack of capacity. The investment in the new model of school improvement for Trust Primary schools was targeted to support this work.

Goals within the Trust strategic priorities, and progress against them were as follows:

Priority 1 - Ensure the best possible outcomes for all pupils - through timely, intelligence led, research informed school improvement activities utilising high quality support and effective collaboration within a supportive accountability framework.

For this period a new School Improvement Advisor commenced working with Trust Primary Schools and a new model of school improvement visits was adopted, in which Trust Primary Headteachers worked in close unison with the SIA on school reviews, undertaking peer review work in the Spring term, and providing a key opportunity for CPL and ultimately, sharing of practice between schools. Recruitment to the full time Director Primary Education (DoP) role was completed in the Spring term and the new post holder joined the Trust on April 1st. The DoP subsequently reviewed the Trust Primary School Improvement Strategy and modified it in light of SI now being brought in-house. This was launched to schools at the start of the 2023/24 academic year. Within this strategy, the role of research in informing and directing school improvement actions was explicit, as was the meeting foci of, for example, behaviour and attendance for the newly formed Trust Primary Headteacher Partnership, all of which picked up on the successes achieved in this respect by the Headteacher Forum. During this period the links were made between all subject leaders within the Primary phase.

In the Secondary phase the Trust continued to utilise the services of an external consultant, in support of the headteacher and staff; discussions were also pursued in respect to opportunities for wider working with Secondary Schools in other Trusts.

In addition to the support provided to all Trust schools, a particular focus for this period was Trinity Academy Richmond. After the relocation of the newly appointed Headteacher and a period of transitional leadership, an internal permanent appointment was made in January 2023. Significant support has been provided to progress the AFIs identified by Ofsted at the previous inspection.

Priority 2 - Recruit and retain the best staff - through establishing Dales as an employer of choice, committed to the ongoing development of its staff through rigorous, personalised, evidence-based CPL and effective talent management at all levels of the organisation.

Whilst progress has been in respect to the development of elements of the People Strategy, including the groundwork for the formalised approach to talent management, the key progress made in respect to this priority area has concerned the recruitment of high quality Headteachers and central team members working in support of school improvement.

During this period, as a consequent to an interim appointment, the departure of one Headteacher, an internal move and a retirement, the Trust central team oversaw six Headteacher recruitment processes. Ultimately four very strong appointments were made. The central Team also supported the recruitment of a Deputy to an incoming Headteacher. The central team staffing was returned to full compliment with the appointment of a PA to the Executive team, who would also provide additional admin support to the central function.



# DALES ACADEMIES TRUST

## TRUSTEES' REPORT (CONTINUED)

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

---

Impacted arguably by the pandemic, the Trust also completed recruitment to a full time post focusing on Primary School Improvement. The role also included Executive Leadership of the new Free School as well as the development opportunity afforded as de facto Deputy CEO. A wide and experienced field of candidates applied and a very strong appointment was made.

Further to this Trust Board approved recruitment to the post of EY Lead for the Free School a full year ahead of opening, aiming to deploy the successful candidate in support of the DoP in Trust Primary Schools. Another strong and extensive field of candidates applied and the new post holder takes up role in the Spring term of the forthcoming academic year.

Initial work has now been completed in respect to the development of the Trust ITT strategy. Contact has been made with all local providers and opportunities for greater engagement with ITT will be pursued in the 2023/24 academic year.

In terms of standardisation, one focus has been local governance and the development of standardised agendas, programme of meetings and minute format. This will be rolled out in 2023/24. Further to this, a Trust wide staff induction programme has been devised and will also be shared in 2023/24.

Priority 3 - Grow appropriately, becoming a sustainable, viable organisation - through optimisation of financial efficiencies, infrastructure and processes, to ensure fitness for purpose, and further informed by relationships with networks and organisations beyond the Trust.

2022/23 saw the work start in earnest on the North Northallerton Free School that the Trust will sponsor. Due to open in September 2023, the school is to be known as Oakbridge CofE Primary School, and sits within the Diocese of York. Regular meeting have taken place with DfE and the LA and all is on track for the school to be handed to the Trust in June 2024. An extensive social media and physical marketing campaign has promoted the school in the local community and much work has been done in developing partnerships with all stakeholders.

Although not focusing on growth during this period, Dales entered into a conversation with a local micro school (NOR <50) within the footprint of the Trust. The Trust provided support in respect to curriculum development and ultimately completed a due diligence process with a view to the school joining the Trust in early 2024. Further conversations have also taken place with several other schools who have expressed an interest in joining Dales.

In respect to the Trust Advisory Group, it was decided that with the appointment of the Deputy CEO, and their role in support of Primary Headteachers, the Trust would revisit the composition and timing of the formation of this group.

The role of the Trust Operations Manager has been pivotal in delivering VFM during this period. In addition to supporting the review of SLAs / Contracts (e.g. Telephones and Ground Maintenance), leading on specific capital projects, they have also drawn together to the key elements of the Estates Strategy and enhanced the effective monitoring of Trust wide H&S.

Beyond these specifically Trust focused areas, the CEO has continued to work with maintained sector colleagues in the capacity of Vice Chair of the LA coordinated Hambleton & Richmondshire Locality Board, which identifies common areas of need for schools in the region and develops projects in support of these. He also continues to be a part of the National small rural schools group established by the RD for the South West as well as the Steering Group for the Catterick Garrison GAP (SEND) project.

Both he and the Deputy CEO continue to develop links with other Trusts and organisations with the ongoing aim of improving the quality of provision within Dales Schools.

# DALES ACADEMIES TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### Key performance indicators

#### Current Grading of Trust Schools

School	Ofsted Inspection date	Ofsted outcome	SIAMS Inspection date	SIAMS outcome
All Saints	Feb 15	Outstanding	Mar 19	Excellent
Ainderby Steeple	Apr 23	Requires Improvement	Nov 16	Good
Carnagill	Jun 18	Inadequate (Sponsored)	N/A	N/A
C - Barton	May 22	Good	Oct 22	Good
C - East Cowton	Mar 22	Good	Sep 16	Outstanding
C - Kirby Fleetham	Feb 22	Good	Jan 16	Good
C - Ravensworth	Apr 22	Good	Jan 18	Outstanding
Croft	May 22	Good	Mar 18	Outstanding
South Otterington	Dec 14	Outstanding	Mar 23	Good
St Francis	Jun 11	Outstanding	Mar 23	Excellent
Thornaby	Sep 23	Good	Nov 16	Good
Trinity Eppleby Forcett	Feb 22	Good	Mar 16	Good
Trinity Middleton Tyas	Feb 22	Good	Feb 20	Good
Trinity Richmond	Feb 22	Inadequate (Sponsored)	Jun 16	Good

#### Inspections during the current period

A graded inspection of Ainderby Steeple took place in April 2023. Extensive work had been undertaken by the newly appointed Headteacher, particularly in respect to curriculum and staff CPL. Ultimately as was projected, the school achieved a judgement of RI, although it was acknowledged that the school was on a trajectory of further improvement. An ungraded inspection of Thornaby was deferred in June 2023. Inspectors returned beyond the current reporting period, and confirmed that it was still Good.

During this period two Trust Primaries were inspected under the SIAMS framework. The Trust was delighted with two strong outcomes, a Good at South Otterington and Excellent at St Francis.

# DALES ACADEMIES TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### Outcomes

Key headline data is as follows:

#### Primaries

At the time of writing Progress data has yet to be published. Attainment in Phonics across the Trust was in line or well above National in all but two schools. Attainment at KS1 in 4/8 Trust Primaries was in-line or above National and where it was not, a significant influence was that of the impact of the pandemic or another factor. At KS2, for those schools with cohorts of a sufficient size to have data published, Attainment was well above National in 4/7 Schools.

#### Secondary - All Saints

Attainment and Progress data was again very strong in 2023, as the following tables indicate:

Outcome measure	2023 Final Results
Average Attainment 8 Grade	5.62
Average Total Progress 8	0.32
Grade 5 or above in English and Maths	72%
Grade 4 or above in English and Maths	92%
Students achieving EBacc Standard Pass	555
Grade 5 or above GCSE in English	88%
Grade 5 or above GCSE in Maths	76%
Grade 4 or above GCSE in English	95%
Grade 4 or above GCSE in Maths	92%

For comparison, Progress 8 for the LA (Secondary Schools) was -0.19.

The Trust has fulfilled its key performance indicators (before adjustments for the LGPS) this year which included:

- Total staff costs 74.66% of income (21/22 – 69.42%)
- Teacher costs 49.76% of income (21/22 – 47.40%)
- Average teacher cost £56,967 (21/22 - £54,713)
- Pupil teacher ratio 16.57 (21/22 - 16.80)
- Surplus / deficit -1.35% of income (21/22 - 4.76%)
- Movement in reserves £252,606 (21/22 - £4,375,981)

#### 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

The Trust's new Finance Policy was updated and agreed by Trustees in October 2022 to ensure that Dales Academies Trust maintains and develops systems of financial control to conform with both propriety and good financial management to meet the requirements of the Education and Skills Funding Agency.

The majority of the Academy's income is obtained for the DfE in the form of recurrent grants, the use of which is restricted for particular uses. All expenditure of the Academy Trust is made in line with this handbook and supports the education of all students on roll.

During the period ending 31 August 2023 total expenditure of £17,604,605 including depreciation which was lower than recurrent DfE grant funding together with other incoming resources. The excess of income over expenditure was £252,606 including actuarial gains on the Local Government Pension Scheme and transferred assets on conversion. Ignoring the impact of transferred assets and actuarial gains the deficit of the period was £316,394.

# DALES ACADEMIES TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### Reserves policy

The Academy Trust had reserves in surplus totalling £3,134,493 at 31 August 2023 made up of unrestricted funds of £1,738,788 and restricted income funds of £1,395,705. Restricted funds also included a Fixed Asset Fund with a total value of £6,276,801 which would require the disposal of fixed assets to be realised.

The only fund in deficit is the Pension Reserve Fund, reflecting a pension liability valued at £218,000 under Financial Reporting Standard 102.

The Academy Trust is confident that it can meet pension contributions from projected future income without significant impact on its planned levels of activity, so Trustees have not designated any of the existing funds to meet future pension commitments.

Therefore, free reserves at 31 August 2023 have been calculated as:

Restricted Reserves	Unrestricted Reserves	Total Free Reserves
£1,395,705 (2022 - £1,755,657)	£1,738,788 (2022 - £1,604,592)	£3,134,493 (2022 - £3,360,249)

The Reserves Policy agreed by Trustees in October 2021 requires the Academy Trust to hold between one and two months of expenditure in reserves. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

#### Investment policy

The Finance & Resources Committee (FARC) of Dales Academies Trust has the responsibility to authorise any investments that are deemed appropriate and in line with the liquidity requirements of the Trust. The FARC is responsible for monitoring adherence to this policy, the appointment of investment advisors/managing agents, and for deciding changes between the proportions of funds invested in common investment funds and/or liquid investments (Cash Deposits).

The Investment policy states surplus income should only be invested if there is no requirement to spend the money within 24 months of the investment

#### Principal risks and uncertainties

Trustees are aware of the major risks to which the Trust is potentially exposed and have put in place mechanisms to mitigate these.

The primary risks are those of school performance; finance; those associated with being a relatively new Trust, that has, in its key third and fourth year of establishment had to manage the impact of the pandemic with limited capacity, and been limited in its ability to review initially adopted processes and procedures to ensure they continue to be fit for purpose; as well as those particular to small rural schools including leadership, recruitment and fluctuations in pupil numbers.

Trustees give due consideration to any risks associated with ensuring the school estates are safe, well maintained and comply with relevant legislation.

Trustees are kept up to date with current risks at Board meetings. In support of this, a comprehensive Trust Risk register is maintained and now, dependent on the nature of the risk, scrutinised at Finance & Resources, Education & Standards committee meetings as well as at full Board. Mechanisms to mitigate risk include close, detailed monitoring and reporting of standards and finance at both LGB and Board level combined with clear protocols on actions to be taken when issues arise or risk increases, for example through Board challenge to LGBs. The Board regularly 'horizon scans' to ensure wherever possible, its decisions take into account external factors that may impact on its operations and potential growth.

#### Financial and risk management objectives and policies

# DALES ACADEMIES TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

---

#### **Fundraising**

The academy trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

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

Beyond the continuing drive to ensure the best possible outcomes for pupils in Trust schools, a key priority for the coming year concerns consolidation. After a year of establishing an expanded central team and reorganising workstreams accordingly, the embedding of new practice is key. This consolidation will support the anticipated further growth of the Trust, which in the coming year will include the opening of Oakbridge CofE Primary School, the Trust's Free School, in North Northallerton.

Within the strategic priorities laid out in the 5 year plan, the following work will be undertaken in the coming year:

Priority 1 - Ensure the best possible outcomes for all pupils - through timely, intelligence led, research informed school improvement activities utilising high quality support and effective collaboration within a supportive accountability framework. The key priority will be to revisit the appointment of in-house expertise to lead on Primary School Improvement. This period will see the embedding of the new Primary School Improvement Strategy, led by the Director of Primary. Within this there will be a focus on CPL and the development of the Primary Headteacher Partnership as an even more effective driver of school improvement. Specifically the group will consider standardised Assessment across Trust Primaries, as well as regularly focusing on Behaviour and Attendance. We will also revisit the identification of Primary and Secondary leaders capable of undertaking effective school to school support, both within and beyond the Trust.

Further to the roll out of standardised documentation in support of local governance, we will further develop links between LGBs, as well as identifying effective means to review and support LGBs where necessary, as well as enabling them to access high quality CPL. We will also revisit the most effective way Trustees can have oversight of Trust schools through visits.

In support of wider pupil development, and the further establishment of links between Trust schools, we will also pursue opportunities for pupils across the Trust to collaborate on projects, for example through the Arts and Sports.

Priority 2 - Recruit and retain the best staff - through establishing Dales as an employer of choice, committed to the ongoing development of its staff through rigorous, personalised, evidence based CPL and effective talent management at all levels of the organisation.

A key element for this priority area will be the development of more formalised talent management across the Trust. Further to this we will be exploring the use of HR MIS to support Headteachers in staff management and the use of data to inform strategy. We will also action the staff wellbeing survey. Workload reduction is part of the ongoing work of the Primary Headteacher Partnership but beyond this there will be a focus of further opportunities of standardisation across Trust practice in support of this, for example through standardised documentation for staff induction and recruitment.

Priority 3 - Grow appropriately, becoming a sustainable, viable organisation - through optimisation of financial efficiencies, infrastructure and processes, to ensure fitness for purpose, and further informed by relationships with networks and organisations beyond the Trust.

As stated above, a key priority is the successful opening of our Free School, Oakbridge CofE Primary School. Beyond the setting up of the school, this will involve extensive work in establishing and further developing relationships with all stakeholders within the community and throughout Northallerton, particularly other Primary Schools.

Further work will be undertaken in promoting the activities of the Trust both within and beyond its schools, and ensuring all staff have an appropriate understanding of its nature. We will continue to scrutinise opportunities for further budgetary efficiencies through effective procurement processes, ensuring current contracts are being delivered as expected, and through ensuring we are making the most of current capacity, for example, our MIS. During this period we also aim to finalise the elements of the Trust Estates Strategy, with a particular focus on identifying those aspects that are standardised, aligned or autonomous. A particular focus for the year will be the exploration of activities concerning decarbonisation and the development of a strategy in this respect.

# DALES ACADEMIES TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

---

It is also hoped that as a result of the very positive feedback from Ofsted in respect to Trinity Richmond, the Trust will also be able to pursue conversations with a number of schools that have expressed an interest in joining or finding out more about Dales.

#### **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 21/12/2023 ..... and signed on its behalf by:

*D Chubb*

Damian Chubb 22 Dec 2023 09:53:33 GMT (UTC +0)  
.....

D Chubb  
CEO



Paul Ferguson 21 Dec 2023 11:51:07 GMT (UTC +0)  
.....

The Right Reverend P Ferguson  
Chair

# DALES ACADEMIES TRUST

## GOVERNANCE STATEMENT

### FOR THE YEAR ENDED 31 AUGUST 2023

---

#### Scope of responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that Dales Academies 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 Dales Academies 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 Directors has formally met five times during the year.

Trustees	Meetings attended	Out of possible
Rev S Bennett	5	5
D Chubb (CEO)	5	5
E Edwards	3	5
The Right Reverend P Ferguson (Chair)	5	5
J Hooton	1	5
J Probert	2	5
W Town	5	5
C Brooks (Resigned 30 April 2023)	2	3
G Thompson (Resigned 30 April 2023)	2	5
P Bramley (Appointed 25 September 2023)		

There were no appointments during the year. Due to external work commitments Chelo Brooks and Graeme Thompson resigned as Trustees with effect from 30th April 2023.

#### Conflicts of interest

The Board of Trustees has processes in place to manage any conflicts of interest, including maintaining an up-to-date and complete register of interests. This register is published on the Trust's website. All financial and loyalty conflicts are avoided and benefits from third parties are not accepted.

Trustees identify and declare conflicts of interest at the start of all meetings. The conflicted Trustee is then required to

- leave the relevant discussion
- does not take part in the decision or vote
- is not counted in the quorum

#### Governance reviews

Each academy has its own Local Governing Body which has delegated powers as laid down in the Scheme of Delegation. The Trustees believe the current governance structure is appropriate to the size and composition of the Trust but this will be reviewed on a regular basis.

The Finance and Resources Committee is a sub-committee of the main Board of Trustees; its purpose is to evaluate the financial performance of the organisation and to ensure finance resources are used appropriately and in accordance with the objectives of the organisation. To ensure that the appropriate advice and recommendations are made to the Board to ensure the ongoing viability of the organisation.

# DALES ACADEMIES TRUST

## GOVERNANCE STATEMENT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

Attendance at meetings in the year was as follows:

<b>Trustees</b>	<b>Meetings attended</b>	<b>Out of possible</b>
D Chubb (CEO)	3	3
E Edwards	2	3
W Town	3	3
G Thompson (Resigned 30 April 2023)	1	2

The Education and Standards committee is also a sub-committee of the main board of Trustees. It was set up to evaluate the educational performance of Trust schools.

Attendance at meetings in the year was as follows:

<b>Trustees</b>	<b>Meetings attended</b>	<b>Out of possible</b>
Rev S Bennett	4	4
D Chubb (CEO)	4	4
J Hooton	4	4
J Probert	3	4
C Brooks (Resigned 30 April 2023)	3	3

### Review of value for money

As accounting officer, the Chief Executive had responsibility for ensuring that the Trust delivered good value in the use of public resources during the period. 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 tax payers' resources received.

The Accounting Officer considers how the Academy 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:

- The ongoing review of services and contracts.
- Procurement of contracts via Government approved frameworks. National and local deals allowed us to secure savings in areas such as electricity, gas and photocopying costs.
- The use of benchmarking and integrated curriculum financial planning exercises to maximise the financial efficiency of the Trust, in delivering the best curriculum within the resources available.
- The increase of self-generated income via rental agreements, lettings, clubs, and the sale of services.
- At Primary level CPL opportunities within individual schools are, wherever possible, open to staff across all Trust schools.
- Coordination, by SIA of bespoke collaborative CPL for schools with similar areas of need, for example further development of curriculum.
- Use of staff working across the Trust in support of school improvement and other activities.
- The ongoing development of the Primary Headteachers forum and subject networks has impacted positively on schools through the closer collaborative working and sharing of best practice and expertise.
- The new School Improvement model now also contributes to the further development of Headteachers in their ability to improve performance within their settings.



# DALES ACADEMIES TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

---

#### **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 Dales Academies 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 resources 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;
- identification and management of risks;
- delegation of authority and segregation of duties.

The Board of Trustees has considered the need for a specific internal audit function and decided to appoint Bishop Fleming LLP to provide this internal assurance.

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

- Visit 1 - Finance manual, scheme of delegation, income, expenditure and credit cards.
- Visit 2 - Payroll, fixed assets, bank and cash.
- Visit 3 – Budget and financial monitoring, compliance, governance and regularity

The auditor reports to the board of trustees, via formal reports, through the Finance and Resources Committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. An annual summary report is prepared for the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

Visit 1 identified one medium-risk weakness to address and one low-risk area for improvement..

Visit 2 identified one low-risk area for improvement.

Visit 3 identified two low-risk areas for improvement.

# DALES ACADEMIES TRUST

## GOVERNANCE STATEMENT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

---

### Review of effectiveness

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

- the work of the internal reviewer;
- the financial management and governance self-assessment process or the school resource management self-assessment tool;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework;
- the work of the external auditor
- correspondence from ESFA, eg financial notice to improve/notice to improve (FNtl/Ntl) and 'minded to' letters.

The accounting officer has been advised of the implications of the result of their review of the systems of internal control by the finance and resources committee and a plan to address the weaknesses and ensure continuous improvement of the systems are in place.

Approved by order of the board of trustees on 21/12/2023..... and signed on its behalf by:

*D Chubb*

Damian Chubb 22 Dec 2023 09:53:33 GMT (UTC +0)

D Chubb  
CEO

*Paul Ferguson*

Paul Ferguson 21 Dec 2023 11:51:07 GMT (UTC +0)

The Right Reverend P Ferguson  
Chair

# DALES ACADEMIES TRUST

## STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2023

---

As accounting officer of Dales Academies 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.

*D Chubb*

Damian Chubb 22 Dec 2023 09:53:33 GMT (UTC +0)

D Chubb

**Accounting Officer**

22 December 2023  
.....

# DALES ACADEMIES TRUST

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

### FOR THE YEAR ENDED 31 AUGUST 2023

---

The trustees (who are also the directors of Dales Academies 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 ~~21/12/2023~~..... and signed on its behalf by:

*D Chubb*

Damian Chubb 22 Dec 2023 09:53:33 GMT (UTC +0)

D Chubb  
CEO

*Paul Ferguson*

Paul Ferguson 21 Dec 2023 11:51:07 GMT (UTC +0)

The Right Reverend P Ferguson  
Chair

# DALES ACADEMIES TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DALES ACADEMIES TRUST

**FOR THE YEAR ENDED 31 AUGUST 2023**

---

### Opinion

We have audited the accounts of Dales Academies 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

We draw your attention to the key judgements made in relation to the accounting treatment and assumptions regarding the Local Government Pension Scheme ('LGPS'). The key judgements are disclosed in note 2 and the pension note includes the relevant pension scheme disclosures. It should be noted that for sector-wide comparability users of these financial statements should take into consideration differing sector judgements relating to asset ceiling calculations, where appropriate. Our Auditor's Report is unmodified in this respect.

### 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.

# DALES ACADEMIES TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DALES ACADEMIES TRUST (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

---

#### 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.

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

- enquiries of management about any actual or potential litigation and claims;
- enquiries of management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- challenging assumptions and judgements made by management in their significant accounting estimates;
- auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- reading correspondence with regulators including the OFSTED; and
- reviewing minutes of those charged with governance;
- reviewing internal assurance reports; and
- reviewing financial statement disclosures and testing support documentation.

# DALES ACADEMIES TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DALES ACADEMIES TRUST (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

---

We identified the following areas as those most likely to have a material impact on the financial statements: Health and Safety; employment law (including the Working Time Directive); and compliance with the Charities Act 2011 and UK Companies Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

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.

**Brian Laidlaw BA CA (Senior Statutory Auditor)  
for and on behalf of Azets Audit Services**

*Azets Audit Services*  
Brian Laidlaw 22 Dec 2023 09:59:27 GMT (UTC +0)  
.....

**Chartered Accountants  
Statutory Auditor**

Bulman House  
Regent Centre  
Gosforth  
Newcastle upon Tyne  
NE3 3LS

22 December 2023

# DALES ACADEMIES TRUST

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO DALES ACADEMIES 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 30 June 2022 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 Dales Academies 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 Dales Academies Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Dales Academies 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 Dales Academies Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of Dales Academies Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Dales Academies Trust's funding agreement with the Secretary of State for Education dated 1 May 2013 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.



# DALES ACADEMIES TRUST

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

**FOR THE YEAR ENDED 31 AUGUST 2023**

---

The work undertaken to draw to our conclusion includes:

- Review of Governing Body and committee minutes;
- Review of available internal assurance reports;
- Completion of self assessment questionnaire by the Accounting Officer;
- Discussions with the Accounting Officer and finance team;
- Review documentation provided to Governors and Accounting Officer setting our responsibilities;
- Obtained a formal letter of representation detailing the responsibilities of Governors;
- Review of payroll, purchases and expense claims on a sample basis;
- Confirmation that the lines of delegation and limits set have been adhered to;
- Evaluation of internal control procedures and reporting lines;
- Review of cash payments for unusual transactions;
- Review of purchasing card transactions;
- Review of register of interests;
- Review of related party transactions;
- Review of borrowing arrangements;
- Review of land and building transactions;
- Review of potential and actual bad debts;
- Review of gifts and hospitality on a sample basis to ensure in line with policy; and
- Consideration of governance issues.

### 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*

Brian Laidlaw 22 Dec 2023 09:59:27 GMT (UTC +0)

### Reporting Accountant

Azets Audit Services

Bulman House

Regent Centre

Gosforth

Newcastle upon Tyne

NE3 3LS

Dated: 22 December 2023

# DALES ACADEMIES 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	67,302	-	397,616	464,918	312,609
Charitable activities:						
- Funding for educational operations	4	202,815	15,956,795	-	16,159,610	15,144,880
Other trading activities	5	661,603	-	-	661,603	619,673
Investments	6	2,080	-	-	2,080	943
<b>Total</b>		<u>933,800</u>	<u>15,956,795</u>	<u>397,616</u>	<u>17,288,211</u>	<u>16,078,105</u>
<b>Expenditure on:</b>						
Raising funds	7	696,821	217,862	-	914,683	824,721
Charitable activities:						
- Educational operations	9	98,788	16,228,959	362,175	16,689,922	15,466,403
<b>Total</b>	7	<u>795,609</u>	<u>16,446,821</u>	<u>362,175</u>	<u>17,604,605</u>	<u>16,291,124</u>
<b>Net income/(expenditure)</b>		138,191	(490,026)	35,441	(316,394)	(213,019)
Transfers between funds	18	(3,995)	(26,926)	30,921	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial gains on defined benefit pension schemes	20	-	565,000	-	565,000	4,589,000
<b>Net movement in funds</b>		134,196	48,048	66,362	248,606	4,375,981
<b>Reconciliation of funds</b>						
Total funds brought forward		1,604,592	1,129,657	5,028,734	7,762,983	3,387,002
Total funds carried forward		<u>1,738,788</u>	<u>1,177,705</u>	<u>5,095,096</u>	<u>8,011,589</u>	<u>7,762,983</u>

# DALES ACADEMIES 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	Restricted funds:		Total
		funds	General	Fixed asset	2022
		£	£	£	£
<b>Income and endowments from:</b>					
Donations and capital grants	3	78,633	-	233,976	312,609
Charitable activities:					
- Funding for educational operations	4	170,184	14,974,696	-	15,144,880
Other trading activities	5	619,673	-	-	619,673
Investments	6	943	-	-	943
<b>Total</b>		<u>869,433</u>	<u>14,974,696</u>	<u>233,976</u>	<u>16,078,105</u>
<b>Expenditure on:</b>					
Raising funds	7	628,507	196,214	-	824,721
Charitable activities:					
- Educational operations	9	92,795	15,043,638	329,970	15,466,403
<b>Total</b>	7	<u>721,302</u>	<u>15,239,852</u>	<u>329,970</u>	<u>16,291,124</u>
<b>Net income/(expenditure)</b>		148,131	(265,156)	(95,994)	(213,019)
Transfers between funds	18	-	(147,187)	147,187	-
<b>Other recognised gains/(losses)</b>					
Actuarial gains on defined benefit pension schemes	20	-	4,589,000	-	4,589,000
<b>Net movement in funds</b>		148,131	4,176,657	51,193	4,375,981
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>1,456,461</u>	<u>(3,047,000)</u>	<u>4,977,541</u>	<u>3,387,002</u>
Total funds carried forward		<u>1,604,592</u>	<u>1,129,657</u>	<u>5,028,734</u>	<u>7,762,983</u>

# DALES ACADEMIES TRUST

## BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2023		2022	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	13		4,936,223		4,975,441
<b>Current assets</b>					
Debtors	14	1,121,069		865,486	
Cash at bank and in hand		3,888,939		3,723,988	
		5,010,008		4,589,474	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	15	(1,701,391)		(1,157,775)	
<b>Net current assets</b>			3,308,617		3,431,699
<b>Total assets less current liabilities</b>			8,244,840		8,407,140
Creditors: amounts falling due after more than one year	16		(15,251)		(18,157)
<b>Net assets excluding pension liability</b>			8,229,589		8,388,983
Defined benefit pension scheme liability	20		(218,000)		(626,000)
<b>Total net assets</b>			8,011,589		7,762,983
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>	18				
- Fixed asset funds			5,095,096		5,028,734
- Restricted income funds			1,395,705		1,755,657
- Pension reserve			(218,000)		(626,000)
<b>Total restricted funds</b>			6,272,801		6,158,391
<b>Unrestricted income funds</b>	18		1,738,788		1,604,592
<b>Total funds</b>			8,011,589		7,762,983

The accounts on pages 24 to 53 were approved by the trustees and authorised for issue on 21/12/2023..... and are signed on their behalf by:

*D Chubb*

Damian Chubb 22 Dec 2023 09:53:33 GMT (UTC +0)

D Chubb  
CEO

*Paul Ferguson*

Paul Ferguson 21 Dec 2023 11:51:07 GMT (UTC +0)

The Right Reverend P Ferguson  
Chair

Company registration number 08372064 (England and Wales)

# DALES ACADEMIES 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		91,117		827,807
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		2,080		943	
Capital grants from DfE Group		345,616		89,262	
Capital funding received from sponsors and others		52,000		144,714	
Purchase of tangible fixed assets		(322,957)		(568,238)	
<b>Net cash provided by/(used in) investing activities</b>			76,739		(333,319)
<b>Cash flows from financing activities</b>					
Repayment of long term bank loan		(2,905)		21,080	
<b>Net cash (used in)/provided by financing activities</b>			(2,905)		21,080
<b>Net increase in cash and cash equivalents in the reporting period</b>			164,951		515,568
Cash and cash equivalents at beginning of the year			3,723,988		3,208,420
<b>Cash and cash equivalents at end of the year</b>			3,888,939		3,723,988
<b>Relating to:</b>					
Bank and cash balances			3,803,939		3,638,988
Short term deposits			85,000		85,000

# DALES ACADEMIES TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2023

---

#### 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.

# DALES ACADEMIES TRUST

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

### 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 £3,000 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.

# DALES ACADEMIES 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, 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 and buildings	No depreciation provided
Leasehold imp's	20 - 50 years straight line
Assets under construction	No depreciation provided
Furniture and equipment and ICT	2 -10 years straight line

The Academy Trust occupies land (including buildings) which are owned by its Trustees are the Diocese of York and Diocese of Leeds. The Trustees are the providers of the academies on the same basis as when the academies were maintained schools. The Academy Trust occupies the land (and buildings) under a mere licence. This continuing permission of their Trustees is pursuant to, and subject to, the Trustees' charitable objects, and is part of the Church of England's contribution to provide State funded education in partnership with the State. The licence delegates aspects of the management of the land (and buildings) to the Academy Trust for the time being, but does not vest any rights over the land in the Academy Trust. The Trustees have given an undertaking to the Secretary of State that they will not give the Academy Trust less than two years notice to terminate the occupation of the land (including buildings). Having considered the factual matrix under which the Academy Trust is occupying the land (and buildings) the directors have considered that the value of the land and buildings occupied by the Academy Trust will not be recognised on the balance sheet of the company.

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

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

#### 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.



# DALES ACADEMIES TRUST

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

### 1 Accounting policies

(Continued)

#### 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 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.

#### 1.10 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.

#### 1.11 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 Department for Education Group.

# DALES ACADEMIES TRUST

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

---

### 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.

#### Local Government Pension Scheme

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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact on the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 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 College 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 Teesside pension fund scheme asset based upon an asset restriction calculation. We consider this to be appropriate and a more accurate reflection of the pension positions as at the 31 August 2023.

# DALES ACADEMIES TRUST

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

### 2 Critical accounting estimates and areas of judgement

(Continued)

#### Critical areas of judgement

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

#### Assessing indicator of impairment.

In assessing whether there have been any indicators of impairment of assets the trustees have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. There have been no indicators of impairment identified during the current financial year.

#### Private Finance Initiative

One academy within the trust occupies buildings which have been procured by Stockton-on-Tees Local Authority as a PFI project. The academy pays revenue contributions in respect of Facilities Management. The academy does not have any rights or obligations of ownership in respect of these assets, and therefore they are not included on the academies balance sheet. The revenue payment for service (net of affordability gap contributions) is recognised in the SOFA.

### 3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Capital grants	-	397,616	397,616	233,976
Other donations	67,302	-	67,302	78,633
	<u>67,302</u>	<u>397,616</u>	<u>464,918</u>	<u>312,609</u>

# DALES ACADEMIES TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
<b>DfE/ESFA grants</b>				
General annual grant (GAG)	-	13,168,200	13,168,200	12,700,170
Other DfE/ESFA grants:				
- UIFSM	-	203,638	203,638	220,255
- Pupil premium	-	641,432	641,432	599,565
- PE and sports grants	-	259,207	259,207	185,034
- Others	-	750,768	750,768	386,237
	-	15,023,245	15,023,245	14,091,261
<b>Other government grants</b>				
Local authority grants	-	843,195	843,195	753,901
<b>COVID-19 additional funding</b>				
<b>DfE/ESFA</b>				
Catch-up premium	-	90,355	90,355	69,723
Other DfE/ESFA COVID-19 funding	-	-	-	41,687
<b>Non-DfE/ESFA</b>				
Other COVID-19 funding	-	-	-	18,124
	-	90,355	90,355	129,534
<b>Other incoming resources</b>	202,815	-	202,815	170,184
<b>Total funding</b>	202,815	15,956,795	16,159,610	15,144,880

#### 5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Catering income	195,911	-	195,911	6,563
Parental contributions	-	-	-	87,658
Other income	465,692	-	465,692	525,452
	661,603	-	661,603	619,673

# DALES ACADEMIES 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	2,080	-	2,080	943

#### 7 Expenditure

	Staff costs £	Non-pay expenditure		Total 2023 £	Total 2022 £
		Premises £	Other £		
Expenditure on raising funds					
- Direct costs	217,862	-	696,821	914,683	824,721
Academy's educational operations					
- Direct costs	10,853,929	-	1,032,125	11,886,054	11,154,009
- Allocated support costs	1,739,811	2,484,212	579,845	4,803,868	4,312,394
	<u>12,811,602</u>	<u>2,484,212</u>	<u>2,308,791</u>	<u>17,604,605</u>	<u>16,291,124</u>

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

	2023 £	2022 £
Operating lease rentals	62,889	56,115
Depreciation of tangible fixed assets	362,175	329,970
Fees payable to auditor for:		
- Audit	13,500	7,825
- Other services	3,275	2,075
Net interest on defined benefit pension liability	(13,000)	75,000

#### 8 Central services

The academy trust has provided the following central services to its academies during the year:

- human resources;
- financial and audit;
- payroll;
- premise insurance;
- school improvement;
- trust leadership service

The academy trust charges for these services on the following basis:

4.5% of GAG funding

**DALES ACADEMIES TRUST****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023****8 Central services****(Continued)**

The amounts charged during the year were as follows:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
All Saints Church of England Academy	209,591	196,158
Barton Church of England Primary School	-	12,895
Croft Church of England Primary School	22,551	20,201
East Cowton Church of England Primary School	-	10,629
Ravensworth Church of England Primary School	-	13,302
South Otterington Church of England Primary School	24,846	22,076
Trinity Academy Eppleby Forcett	-	14,019
Ainderby Steeple Church of England Primary School	21,420	20,543
Kirkby Fleetham Church of England Primary School	51,177	10,258
Trinity Academy Middleton Tyas	40,759	25,980
Trinity Academy Richmond	30,994	33,899
Thornaby Church of England Primary School	67,789	67,842
St Francis of Assisi Church of England Primary School	76,807	77,685
Carnagill Community Primary School	33,036	33,177
	<u>578,970</u>	<u>558,664</u>

A number of school budgets have been combined from 2022/23 and are managed collectively by the appropriate Headteacher.

## Group 1

Trinity Academy Eppleby Forcett  
Trinity Academy Middleton Tyas

## Group 2

Barton Church of England Primary School  
East Cowton Church of England Primary School  
Ravensworth Church of England Primary School  
Kirkby Fleetham Church of England Primary School

# DALES ACADEMIES TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 9 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
<b>Direct costs</b>				
Educational operations	-	11,886,054	11,886,054	11,154,009
<b>Support costs</b>				
Educational operations	98,788	4,705,080	4,803,868	4,312,394
	<u>98,788</u>	<u>16,591,134</u>	<u>16,689,922</u>	<u>15,466,403</u>
			<b>2023</b>	<b>2022</b>
			£	£
<b>Analysis of support costs</b>				
Support staff costs			1,758,372	1,852,983
Depreciation			362,175	329,970
Technology costs			9,655	8,544
Premises costs			2,122,037	1,631,470
Legal and professional costs			322,508	207,166
Other support costs			212,739	268,247
Governance costs			16,382	14,014
			<u>4,803,868</u>	<u>4,312,394</u>

# DALES ACADEMIES TRUST

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

### 10 Staff

#### Staff costs

Staff costs during the year were:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Wages and salaries	9,402,589	8,576,145
Social security costs	866,743	775,642
Pension costs	2,136,742	2,597,866
	<hr/>	<hr/>
Staff costs - employees	12,406,074	11,949,653
Agency staff costs	368,546	289,055
Staff restructuring costs	36,982	-
	<hr/>	<hr/>
Staff development and other staff costs	12,811,602	12,238,708
	75,549	53,733
	<hr/>	<hr/>
Total staff expenditure	12,887,151	12,292,441
	<hr/> <hr/>	<hr/> <hr/>

Staff restructuring costs comprise:

Redundancy payments	12,399	-
Other restructuring costs	24,583	-
	<hr/>	<hr/>
	36,982	-
	<hr/> <hr/>	<hr/> <hr/>

#### Severance payments

The academy trust paid 1 severance payments in the year, disclosed in the following bands:

£0 - £25,000	1
--------------	---

#### Staff numbers

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

	<b>2023</b>	<b>2022</b>
	<b>Number</b>	<b>Number</b>
Teachers	147	143
Administration and support	198	209
Management	25	22
	<hr/>	<hr/>
	370	374
	<hr/> <hr/>	<hr/> <hr/>



# DALES ACADEMIES 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	3	5
£70,001 - £80,000	3	2
£80,001 - £90,000	-	1
£90,001 - £100,000	2	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 key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £2,106,783 (2022: £1,666,601).

#### 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:

D Chubb (Chief Executive Officer and trustee):

- Remuneration £95,000 - £100,000 (2022: £90,000-£95,000)
- Employer's pension contributions £20,000 - £25,000 (2022: £20,000-£25,000)

During the year, travel and subsistence payments totalling £435 (2022: £227) were reimbursed or paid directly to 3 trustees (2022: 1 trustees).

Other related party transactions involving the trustees are set out within the related parties note.

#### 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.

# DALES ACADEMIES TRUST

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

### 13 Tangible fixed assets

	Leasehold land and buildings	Leasehold imp's	Assets under construction	Furniture and equipment and ICT	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 September 2022	3,355,974	1,561,668	10,803	976,302	5,904,747
Additions	-	75,490	44,510	202,957	322,957
At 31 August 2023	3,355,974	1,637,158	55,313	1,179,259	6,227,704
<b>Depreciation</b>					
At 1 September 2022	143,789	87,497	-	698,020	929,306
Charge for the year	59,500	98,799	-	203,876	362,175
At 31 August 2023	203,289	186,296	-	901,896	1,291,481
<b>Net book value</b>					
At 31 August 2023	3,152,685	1,450,862	55,313	277,363	4,936,223
At 31 August 2022	3,212,185	1,474,171	10,803	278,282	4,975,441

### 14 Debtors

	2023 £	2022 £
Trade debtors	6,538	6,800
VAT recoverable	47,342	32,804
Prepayments and accrued income	1,067,189	825,882
	1,121,069	865,486

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

	2023 £	2022 £
Government loans	2,924	2,923
Trade creditors	654,329	568,591
Other taxation and social security	205,182	190,513
Other creditors	44,628	47,896
Accruals and deferred income	794,328	347,852
	1,701,391	1,157,775

# DALES ACADEMIES TRUST

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

### 16 Creditors: amounts falling due after more than one year

	<b>2023</b>	<b>2022</b>
	£	£
Government loans	15,251	18,157
	<u>15,251</u>	<u>18,157</u>
	<b>2023</b>	<b>2022</b>
	£	£
<b>Analysis of loans</b>		
Wholly repayable within five years	18,175	21,080
Less: included in current liabilities	(2,924)	(2,923)
	<u>18,175</u>	<u>21,080</u>
Amounts included above	15,251	18,157
	<u>15,251</u>	<u>18,157</u>
<b>Loan maturity</b>		
Debt due in one year or less	2,924	2,923
Due in more than one year but not more than two years	2,924	2,923
Due in more than two years but not more than five years	10,233	8,773
Due in more than five years	2,094	6,461
	<u>18,175</u>	<u>21,080</u>

Loans of £13,284 from Salix Finance Ltd which is provided on the following terms: Salix Finance loan (Ravensworth Church of England Primary School) - Interest free loan repayable through GAG in 6-monthly instalments of £830 from September 2022.

Loans of £10,107 from Salix Finance Ltd which is provided on the following terms: Salix Finance loan (Barton Church of England Primary School) - Interest free loan repayable through GAG in 6-monthly instalments of £632 from September 2022.

### 17 Deferred income

	<b>2023</b>	<b>2022</b>
	£	£
Deferred income is included within:		
Creditors due within one year	286,979	169,504
	<u>286,979</u>	<u>169,504</u>
Deferred income at 1 September 2022	169,504	193,407
Released from previous years	(169,504)	(193,407)
Resources deferred in the year	286,979	169,504
	<u>286,979</u>	<u>169,504</u>
Deferred income at 31 August 2023	286,979	169,504
	<u>286,979</u>	<u>169,504</u>

At the balance sheet date the academy trust was holding funds received in advance in respect of, Rates Relief, Universal Infant Free School Meals and school trips relating to the following accounting period.

# DALES ACADEMIES 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)	1,755,657	13,168,200	(13,501,226)	(26,926)	1,395,705
UIFSM	-	203,638	(203,638)	-	-
Pupil premium	-	641,432	(641,432)	-	-
Catch-up premium	-	90,355	(90,355)	-	-
Other DfE/ESFA grants	-	1,009,975	(1,009,975)	-	-
Other government grants	-	843,195	(843,195)	-	-
Pension reserve	(626,000)	-	(157,000)	565,000	(218,000)
	<u>1,129,657</u>	<u>15,956,795</u>	<u>(16,446,821)</u>	<u>538,074</u>	<u>1,177,705</u>
<b>Restricted fixed asset funds</b>					
DfE group capital grants	<u>5,028,734</u>	<u>397,616</u>	<u>(362,175)</u>	<u>30,921</u>	<u>5,095,096</u>
<b>Total restricted funds</b>	<u>6,158,391</u>	<u>16,354,411</u>	<u>(16,808,996)</u>	<u>568,995</u>	<u>6,272,801</u>
<b>Unrestricted funds</b>					
General funds	<u>1,604,592</u>	<u>933,800</u>	<u>(795,609)</u>	<u>(3,995)</u>	<u>1,738,788</u>
<b>Total funds</b>	<u>7,762,983</u>	<u>17,288,211</u>	<u>(17,604,605)</u>	<u>565,000</u>	<u>8,011,589</u>

# DALES ACADEMIES TRUST

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

---

### 18 Funds

(Continued)

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

The General Annual Grant (GAG) must be used for the normal running costs of the Trust. Under the funding agreement with the Secretary of State, the academy trust not subject to a limit on the amount of GAG that it could carry forward at the balance sheet date.

Other DfE/ESFA grants include teachers pay and pension grants, pupil premium, PE and sports grant and other DfE/ESFA grants.

Other government grants comprise funding received from the Local Authority.

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 Local Government Pension Scheme ('LGPS') and the pension liability has therefore been aligned with these funds. The restricted funds are in deficit as a result of the deficit on the LGPS pension scheme alone.

The inherited fixed asset fund reflects the fixed assets acquired from the Local Authority on conversion to academy status. Depreciation on these assets is charged against this fund.

DfE/ESFA capital grants received in year consist of capital grants received in the year have been received for expenditure on acquisition and maintenance of fixed assets.

The transfer from the Local Authority reflects the fixed assets, the pension deficit, the surplus GAG and any surplus school funds acquired on conversion

Unrestricted funds can be used for any purpose at the discretion of the academy trust.

# DALES ACADEMIES 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)	1,269,000	12,700,170	(12,066,326)	(147,187)	1,755,657
UIFSM	-	220,255	(220,255)	-	-
Pupil premium	-	599,565	(599,565)	-	-
Catch-up premium	-	69,723	(69,723)	-	-
Other DfE/ESFA COVID-19 funding	-	41,687	(41,687)	-	-
Other Coronavirus funding	-	18,124	(18,124)	-	-
Other DfE/ESFA grants	-	571,271	(571,271)	-	-
Other government grants	-	753,901	(753,901)	-	-
Pension reserve	(4,316,000)	-	(899,000)	4,589,000	(626,000)
	<u>(3,047,000)</u>	<u>14,974,696</u>	<u>(15,239,852)</u>	<u>4,441,813</u>	<u>1,129,657</u>
<b>Restricted fixed asset funds</b>					
DfE group capital grants	4,977,541	233,976	(329,970)	-	4,881,547
Capital expenditure from GAG	-	-	-	147,187	147,187
	<u>4,977,541</u>	<u>233,976</u>	<u>(329,970)</u>	<u>147,187</u>	<u>5,028,734</u>
<b>Total restricted funds</b>	<u>1,930,541</u>	<u>15,208,672</u>	<u>(15,569,822)</u>	<u>4,589,000</u>	<u>6,158,391</u>
<b>Unrestricted funds</b>					
General funds	1,456,461	869,433	(721,302)	-	1,604,592
	<u>1,456,461</u>	<u>869,433</u>	<u>(721,302)</u>	<u>-</u>	<u>1,604,592</u>
<b>Total funds</b>	<u>3,387,002</u>	<u>16,078,105</u>	<u>(16,291,124)</u>	<u>4,589,000</u>	<u>7,762,983</u>

# DALES ACADEMIES 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:		
All Saints Church of England Academy	-	-
Barton Church of England Primary School	-	-
Croft Church of England Primary School	-	-
East Cowton Church of England Primary School	-	-
Ravensworth Church of England Primary School	-	-
South Otterington Church of England Primary School	-	-
Trinity Academy Eppleby Forcett	-	-
Ainderby Steeple Church of England Primary School	-	-
Kirkby Fleetham Church of England Primary School	-	-
Trinity Academy Middleton Tyas	-	-
Trinity Academy Richmond	-	-
Thornaby Church of England Primary School	-	-
St Francis of Assisi Church of England Primary School	-	-
Carnagill Community Primary School	-	-
Central services	3,134,493	3,360,249
	<u>3,134,493</u>	<u>3,360,249</u>
Total before fixed assets fund and pension reserve	3,134,493	3,360,249
Restricted fixed asset fund	5,095,096	5,028,734
Pension reserve	(218,000)	(626,000)
	<u>8,011,589</u>	<u>7,762,983</u>
Total funds	<u><u>8,011,589</u></u>	<u><u>7,762,983</u></u>

# DALES ACADEMIES TRUST

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

### 18 Funds

(Continued)

#### 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
	£	£	£	£	£	£
All Saints Church of England Academy	3,441,453	384,309	924,238	285,084	5,035,084	4,330,442
Barton Church of England Primary School	-	-	-	-	-	354,519
Croft Church of England Primary School	424,450	53,223	114,114	41,627	633,414	552,739
East Cowton Church of England Primary School	-	-	-	-	-	241,357
Ravensworth Church of England Primary School	-	-	-	-	-	335,957
South Otterington Church of England Primary School	489,093	49,290	136,355	45,646	720,384	590,661
Trinity Academy Eppleby Forcett	-	-	-	-	-	298,804
Ainderby Steeple Church of England Primary School	476,324	57,369	126,615	42,840	703,148	579,284
Kirkby Fleetham Church of England Primary School	813,181	135,404	247,340	140,526	1,336,451	272,846
Trinity Academy Middleton Tyas	714,829	112,453	226,483	67,616	1,121,381	708,244
Trinity Academy Richmond	949,219	95,179	229,419	56,600	1,330,417	1,038,497
Thornaby Church of England Primary School	1,513,850	159,192	185,148	102,152	1,960,342	1,681,018
St Francis of Assisi Church of England Primary School	1,481,995	188,138	208,619	99,160	1,977,912	1,799,887
Carnagill Community Primary School	730,386	61,056	164,833	52,273	1,008,548	967,432
Central services	37,351	349,748	829,975	41,615	1,258,689	484,517
	<u>11,072,131</u>	<u>1,645,361</u>	<u>3,393,139</u>	<u>975,139</u>	<u>17,085,770</u>	<u>14,236,204</u>

A number of school budgets have been combined from 2022/23 and are managed collectively by the appropriate Headteacher.

#### Group 1

Trinity Academy Eppleby Forcett  
Trinity Academy Middleton Tyas

#### Group 2

Barton Church of England Primary School  
East Cowton Church of England Primary School  
Ravensworth Church of England Primary School  
Kirkby Fleetham Church of England Primary School



# DALES ACADEMIES 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	-	-	4,936,223	4,936,223
Current assets	1,738,788	3,094,172	177,048	5,010,008
Current liabilities	-	(1,698,467)	(2,924)	(1,701,391)
Non-current liabilities	-	-	(15,251)	(15,251)
Pension scheme liability	-	(218,000)	-	(218,000)
<b>Total net assets</b>	<u>1,738,788</u>	<u>1,177,705</u>	<u>5,095,096</u>	<u>8,011,589</u>

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
<b>Fund balances at 31 August 2022 are represented by:</b>				
Tangible fixed assets	-	-	4,975,441	4,975,441
Current assets	1,604,592	2,908,198	76,684	4,589,474
Current liabilities	-	(1,152,541)	(5,234)	(1,157,775)
Non-current liabilities	-	-	(18,157)	(18,157)
Pension scheme liability	-	(626,000)	-	(626,000)
<b>Total net assets</b>	<u>1,604,592</u>	<u>1,129,657</u>	<u>5,028,734</u>	<u>7,762,983</u>

#### 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 North Yorkshire County Council. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2020, and that of the LGPS related to the period ended 31 March 2022.

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

##### 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.

# DALES ACADEMIES 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 latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 30 October 2023.

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 28.68% 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 £262,000 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million giving a notional past service deficit of £39,800 million
- the SCAPE discount rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 1.7% above the rate of CPI, and is based on the Office for Budget Responsibility's forecast for long-term GDP growth.

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

The employer's pension costs paid to the TPS in the period amounted to £1,433,560 (2022: £1,335,125).

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

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

##### Local Government Pension Scheme

The LGPS is a funded defined benefit pension 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 17.50 - 19.10% for employers and 5.50 - 12.50% 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.

<b>Total contributions made</b>	<b>2023</b>	<b>2022</b>
	£	£
Employer's contributions	540,000	466,000
Employees' contributions	159,000	140,000
	<hr/>	<hr/>
Total contributions	699,000	606,000
	<hr/> <hr/>	<hr/> <hr/>

# DALES ACADEMIES TRUST

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

### 20 Pension and similar obligations (Continued)

	2023	2022
	%	%

#### Teesside Pension Fund

Rate of increase in salaries	3.95	4.05
Rate of increase for pensions in payment/inflation	2.95	3.05
Discount rate for scheme liabilities	5.20	4.25

#### North Yorkshire Pension Fund

Rate of increase in salaries	3.85	3.95
Rate of increase for pensions in payment/inflation	2.60	2.70
Discount rate for scheme liabilities	5.00	4.10
Inflation assumption (CPI)	2.60	2.70

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

	2023	2022
	Years	Years

#### Teesside Pension Fund

Retiring today		
- Males	20.50	21.70
- Females	23.50	23.50
Retiring in 20 years		
- Males	21.30	22.90
- Females	25.20	25.30

#### North Yorkshire Pension Fund

Retiring today		
- Males	22.00	21.80
- Females	24.50	23.80
Retiring in 20 years		
- Males	22.90	23.50
- Females	25.50	25.70

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

	2023	2022
	£	£
Discount rate + 0.1%	(185,000)	(201,000)
Discount rate - 0.1%	188,000	205,000
Mortality assumption + 1 year	(271,000)	(280,000)
Mortality assumption - 1 year	271,000	280,000
CPI rate + 0.1%	169,000	185,000
CPI rate - 0.1%	(169,000)	(185,000)

# DALES ACADEMIES 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	5,651,000	5,129,000
Government bonds	318,000	348,000
Corporate bonds	207,000	202,000
Cash and liquid assets	224,000	784,000
Property	1,469,000	1,232,000
Other assets	661,000	508,000
Asset restriction	(850,000)	(846,000)
	<u>7,680,000</u>	<u>7,357,000</u>

The actual return on scheme assets was £(274,000) (2022: £(84,000)).

#### Amount recognised in the statement of financial activities

	2023 £	2022 £
Current service cost	710,000	1,290,000
Interest income	(357,000)	(136,000)
Interest cost	344,000	211,000
	<u>697,000</u>	<u>1,365,000</u>

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

	2023 £
At 1 September 2022	7,983,000
Current service cost	710,000
Interest cost	344,000
Employee contributions	159,000
Actuarial gain	(1,200,000)
Benefits paid	(98,000)
	<u>7,898,000</u>

# DALES ACADEMIES 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 £
At 1 September 2022	7,357,000
Interest income	357,000
Actuarial loss	(631,000)
Employer contributions	540,000
Employee contributions	159,000
Benefits paid	(98,000)
Asset restriction	(4,000)
	<hr/>
At 31 August 2023	7,684,000
	<hr/> <hr/>

### 21 Reconciliation of net expenditure to net cash flow from operating activities

	2023 £	2022 £
	<b>Notes</b>	
Net expenditure for the reporting period (as per the statement of financial activities)	(316,394)	(213,019)
Adjusted for:		
Capital grants from DfE and other capital income	(397,616)	(233,976)
Investment income receivable	<b>6</b> (2,080)	(943)
Defined benefit pension costs less contributions payable	<b>20</b> 170,000	824,000
Defined benefit pension scheme finance (income)/cost	<b>20</b> (13,000)	75,000
Depreciation of tangible fixed assets	362,175	329,970
(Increase)/decrease in debtors	(255,583)	288,788
Increase/(decrease) in creditors	543,615	(242,013)
	<hr/>	<hr/>
<b>Net cash provided by operating activities</b>	<b>91,117</b>	<b>827,807</b>
	<hr/> <hr/>	<hr/> <hr/>

### 22 Analysis of changes in net funds

	1 September 2022 £	Cash flows £	31 August 2023 £
Cash	3,638,988	164,951	3,803,939
Cash equivalents	85,000	-	85,000
	<hr/>	<hr/>	<hr/>
	3,723,988	164,951	3,888,939
Loans falling due within one year	(2,923)	(1)	(2,924)
Loans falling due after more than one year	(18,157)	2,906	(15,251)
	<hr/>	<hr/>	<hr/>
	3,702,908	167,856	3,870,764
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

# DALES ACADEMIES TRUST

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

### 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:

	<b>2023</b>	<b>2022</b>
	£	£
Amounts due within one year	49,648	33,318
Amounts due in two and five years	9,438	17,909
	<u>59,086</u>	<u>51,227</u>

#### Other contractual commitments

At 31 August 2023 the total of the academy trust's future minimum lease payments under other contractual commitments was:

	<b>2023</b>	<b>2022</b>
	£	£
Amounts due within one year	260,428	240,180
Amounts due in two and five years	2,864,704	2,305,736
Amounts due after five years	-	576,434
	<u>3,125,132</u>	<u>3,122,350</u>

The Academy Trust occupies premises which are subject to a private finance initiative (PFI) contract. The Academy Trust is itself not party to this service concession contract, however the Academy Trust has entered into a supporting agreement to make contributions towards the costs. The commitment covers the same period as the PFI agreement of 25 years. The current year cost was and it is expected that future annual commitments will be at a similar level.

# DALES ACADEMIES TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

---

#### 24 Related party transactions

Owing to the nature of the academy trust 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 trustees have an interest. The following related party transactions took place in the financial period.

##### **Expenditure related party transactions**

During the year the academy trust made the following related party transactions:

##### **York Diocesan Board of Finance Limited (The)**

A company in which The Right Reverend P Ferguson (a trustee) is a director

During the year, the academy trust purchased goods and services totalling £5,300 (2022 - £3,165).

In entering into the transaction the academy trust has complied with the requirements of the Academy Trust Handbook 2022.

At the balance sheet date the amount due to York Diocesan Board of Finance Limited (The) was £Nil (2022 - £Nil).

##### **Leeds Diocesan Board of Finance Limited**

A company in which The Right Reverend N Baines (a member) is a director

During the year, the academy trust purchased goods and services totalling £17,787 (2022 - £7,511).

In entering into the transaction the academy trust has complied with the requirements of the Academy Trust Handbook 2022.

At the balance sheet date the amount due to Leeds Diocesan Board of Finance Limited was £Nil (2022 - £Nil).

#### 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.