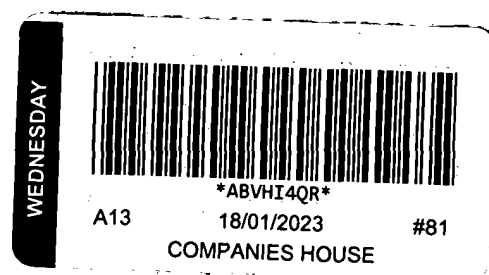


Company registration number 08590916 (England and Wales)

SILVERTREES ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022



SILVERTREES ACADEMY TRUST

CONTENTS

	Page
Reference and administrative details	1
Trustees' report	2 - 10
Governance statement	11 - 13
Statement on regularity, propriety and compliance	14
Statement of trustees' responsibilities	15
Independent auditor's report on the accounts	16 - 18
<i>Independent reporting accountant's report on regularity</i>	19 - 20
Statement of financial activities including income and expenditure account	21 - 22
Balance sheet	23
Statement of cash flows	24
Notes to the accounts including accounting policies	25 - 40

SILVERTREES ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

Amit Mistry
Ian Burrows
Joanne Blackhouse

Governors

R Turvey (Accounting Officer)
V Patel
R Rai-Aheer (Chair)
A Mistry
M Hussain (Resigned 22 September 2021)
K Kirkham
J Griffiths
N Timms
A Mushtaq

Senior management team

- Head teacher
- Deputy Head/SENCO
- KS1 Assistant Head
- EYFS Lead Assistant Head

Ruth Turvey
Karen Kirkham
James Grant
Gemma Coombs

Company secretary

M Longville

Company registration number

08590916 (England and Wales)

Principal address

Silvertrees Road
Tipton
DY4 8NH

Independent auditor

CK Audit
No 4 Castle Court 2
Castlegate Way
Dudley
West Midlands
DY1 4RH

SILVERTREES ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

The Governors present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a trustees' report, and a directors' report and strategic report under company law.

Structure, governance and management

Constitution

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

Following changes to our articles of association, effective 1st September 2020, there is separation between member and trustees. There are three members the majority of which are not trustees.

Details of the Governors who served throughout the period are included in the Reference and Administrative Details.

The full Governing Body meets at least once a term. The work of the Governing Body is delegated to sub committees that are constituted with terms of the reference namely:

- Finance and General Purpose
- Curriculum and Standards
- Audit and Risk

The sub committees meet termly and the Chairs of these committees report back to the full Governing Body meetings.

Members' liability

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

Method of recruitment and appointment or election of Governors

The Governing Body comprises four categories of Governor, as set out in the Articles of Association and the Funding Agreement.

The method of recruitment is:

The number of Governors (unless otherwise determined by ordinary resolution) shall be not less than three or be subject to any maximum.

- Subject to Articles 48 and 49, the Academy Trust shall have the following Governors:
- Up to five Governors, appointed under Article 50;
- Two Parent Governors elected or appointed under Article 53 to 56B
- Subject to Article 57, the Principal
- The Academy Trust may also have any Co-opted Governor appointed under Article 58.

The Members may appoint by ordinary resolution up to five Governors.

Policies and procedures adopted for the induction and training of Governors

The Academy purchases an independent governor support service to complement the in house induction and training programme.

Governors are kept up to date with their legislative obligations and good practice through the independent governor support service and by the Clerk to the Governing Body.

SILVERTREES ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Governors' Indemnities

The Academy Trust purchases indemnity insurance to cover the liability of the Governors which by virtue of any rule of law would otherwise attach to them in respect of negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust; provided that any insurance shall not extend to any claim arising from any act or omission which the Governors knew to be a breach of trust or a breach of duty or which was committed by the Governors in reckless disregard to whether it was a breach of trust or a breach of duty or not and provided also that any such insurance shall not extend to the costs of the unsuccessful defence to a criminal prosecution brought against the Governors in their capacity as Directors of the Academy Trust.

Principle Activities

Silvertrees Academy Trust, a non-selective academy, provides education for pupils of different abilities between the ages of 2 and 7.

Our pupils are drawn from the local area in accordance with our published admission criteria.

The Academy Trust's activity is 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 an academy offering a broad and balanced curriculum.

Organisational structure

The Governing Body is responsible for all major decisions about the Academy.

The Governing Body is responsible for setting all policies covering Personnel, Health & Safety, Curriculum and Financial aspects of the work of the Academy. The Governing Body monitors the work of the Academy. It receives regular reports from the Senior Leadership Team, including budget and other data updates.

The Governing Body approves the Statutory Accounts. The levels of authorisation of budget spent are detailed in the Scheme of Delegation reviewed by the Governing Body.

The day to day management of the Academy is delegated by the Governing Body to the Head who is supported by the Senior Leadership Team which comprises; Head, Deputy Head teacher, KS1 Assistant Head, EYFS Assistant Head.

The Initial School Development Plan is drawn up by the Head working with the Senior Leadership Team and School Improvement Advisor. The draft plan is then approved by the full Governing Body in the Autumn term. The full Governing Body reviews the school development as part of its regular work.

As an infant school, a high percentage of the Academy's expenditure relates to staffing. The Permanent Staffing Structure is determined by the Governing Body working with the Head.

The School Development Plan and the staffing structure then influence the Academy budget. The Head is the Accounting Officer and responsible for the day to day financial management of the Academy.

SILVERTREES ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Arrangements for setting pay and remuneration of key management personnel

Pay and remuneration are set by Governors, and responsibility is delegated to the Finance & General Purpose Committee. Pay is determined by National guidelines and recommendations. The school's ISR determines the Head Teacher's pay range and from that, the Deputy Head and Assistant Head Teacher's pay range is set. Appraisals take place annually in the Autumn Term to determine movement along pay scales for Senior Leaders and teachers. Results from the appraisals are presented to Governors for pay decisions to be made in the Autumn term. The Head Teacher is appraised and has targets set following advice from an external Advisor, who also then advises Governors who make up the Head Teachers Performance Management Committee of the Governing Body. Silvertrees Academy follows National guidelines, Union recommendation and the LA advice and guidance in setting pay and conditions.

Risk Management

The Governors have assessed the major risks to which the Academy is exposed, in particular those relating to the operational areas of the site and facilities and of teaching and the finances. The Governors have set up an Audit and Risk Committee who review and implemented a risk register to assess risks that the academy faces, especially in the operational areas which includes teaching and health and safety and in relation to the control of finance. The Governors have introduced systems, including operational procedures and internal financial records in order to minimise risk. Where significant financial risk still remains, they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

Related parties and other connected charities and organisations

There are no related parties which either control or significantly influence the decisions and operations of Silvertrees Academy Trust. There are no sponsors.

The Academy works with many school/academy networks both within the Sandwell Local Authority (School to School clusters) to further the principle activities of the Academy.

Objectives and activities

The principal object and activity of the Charitable Company is the operation of Silvertrees Academy Trust to provide education and care for pupils of different abilities between the age of 2 and 7.

In accordance with the Articles of Association the Charitable Company has adopted a Funding Agreement approved by the Secretary of State for Education. The Funding Agreement specifies, amongst other things –

- That the academy has a curriculum satisfying the requirements of Section 78 of EA 2002 (balanced and broadly based curriculum);
- That it provides education for pupils of different abilities;
- And that it provides education for pupils who are wholly or mainly drawn from the area in which the academy is situated.

SILVERTREES ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Vision and Values

Our vision and values are reviewed by the whole community annually, in July 2021 they were changed to reflect the current climate and needs of Silvertrees Academy Trust:

Our school motto is: 'Be The Best You Can Be'

Our vision is for every child to be nurtured so they feel safe, happy and a valued part of the Silvertrees family. We will inspire a love of learning through a creative curriculum where children are challenged to explore, question and inquire. We help our children prepare for a bright future full of possibilities through well sequenced learning that build on their knowledge and skills.

Our Core Values are:

Well-being - the importance of feeling comfortable, healthy and happy.

Resilience - learning to bounce back and move on.

Community - a sense of belonging and unity. Working together, embracing and celebrating our differences.

Responsibility - learning to make the right choices.

Achievement - enjoying learning new things and fulfilling our potential

Objects and Aims

The Aims of the Academy during the year ended 31st August 2022 are summarised below –

We ensure the needs of our children are our number one priority.

- We ensure strong teaching of early reading and maths skills to give children the best start and a future full of possibilities
- We aim for each child to maximise their progress in learning and achieve the best they can.
- We aim to develop independence in order that children are able to take control of their own learning.
- We develop confidence and self-esteem in order that they succeed.
- We provide a safe, stimulating, nurturing and creative learning environment.
- We educate the whole child, who is able to contribute effectively to their own and the wider community.
- We create a place where parents feel part of and can join in the learning journey, with their children.
- We listen and value the point of view of each individual, share ideas and create our own futures.
- We ensure that children learn through fun and realise that learning is fun.
- We offer extra-curricular experiences and enhance learning through a variety of educational trips, visitors to school and after school clubs.
- We support children in taking responsibility for their own behaviour through a whole school approach to positive role models.

SILVERTREES ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Mitigating the effects of Covid on learning and mental health continued to be a focus in the academic year 2021-22 as most children had lost 1 or 2 terms in school (summer 2020 and spring 2021). Although there were no closures during the academic year 2021-22, attendance overall remained low due to outbreaks of Covid and the need to self-isolate. We continued to provide remote learning in the form of work packs for children isolating and meal vouchers to children entitled to free school meals. We swiftly identified children who needed academic or well-being support and put in place appropriate interventions. Accelerating progress and ensuring more children were able to attain at age expected levels was a main focus which drove our school improvement plan and budgeting.

School Improvement areas for 2021-22 were:

- Educational recovery – adapt the curriculum to accelerate progress in reading, writing and maths
- Curriculum – establish a strong curriculum with clear knowledge and skills progression
- Writing – raise standards in writing across school with a particular focus on closing gender gaps
- Reception – quality of education to be consistently good leading to a significant rise in GLD
- SEND – teachers meet the needs of children with SEND and lower attaining learners when taught in class
- Emotional Development – develop emotional awareness and regulation so children are resilient learners

All Governors, teachers, ancillary staff, support staff are committed to the following values to ensure that the children of Silvertrees;

- Develop a good level of basic skills in all areas of the curriculum
- Feel safe and happy and develop into resilient learners who strive to 'Be The Best You Can Be'
- Are given the skills to develop into well rounded, active members of the community
- Have greater ownership of a fun, relevant and progressive curriculum
- Become independent learners and develop skills in a sequential manner in all curriculum areas

Objectives, strategies and activities

Public benefit

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives. All our charitable activities are undertaken to further our charitable purposes for the public benefit.

SILVERTREES ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report

Achievements and performance

Silvertrees Academy is a Good School: Ofsted April 2019

Performance indicators:

There was no statutory testing in 2019-20 and 2020-21 due to Covid disruption but statutory assessments were reinstated for 2021-22.

End of Early Years Foundation Stage 2022:

Silvertrees Academy GLD – 63.3% This was above Sandwell LA and just below National
Communication and language is the most important area of learning, at Silvertrees 80% of children achieved ELG in this area which was above local and national.

Year 1 Phonics Screener June 2022:

Silvertrees Academy – 80% passed the screener this was above both Sandwell LA and National
Disadvantaged children (those receiving pupil premium) are a focus group. Due to high quality focused interventions these children achieved well at Silvertrees Academy and the gap compared to non-disadvantaged was lower than Sandwell LA and National.

End of KS1 SATs 2022:

Reading at EXS was 63.3% and GDS was 12.7%, EXS was above Sandwell LA, GDS was below
Writing at EXS was 41.8% and GDS was 0%, this was below Sandwell LA and National and will be a focus for 2022-23

Maths at EXS was 70.9% and GDS was 15.2%, this was above Sandwell LA and National
Pupil premium grant, recovery premium and school led tutoring were effectively used to ensure Y2 children made the best possible progress to give them the best possible future. As a result the gaps between disadvantaged and non-disadvantaged children at Silvertrees Academy were significantly below Sandwell LA and National. Disadvantaged children at Silvertrees Academy made outstanding progress and achieved well in 2021-22.

End point attainment is only one part of achievement. Silvertrees Academy's internal data showed children made very good progress in all areas of learning in 2021-22.

Precise evaluation and assessment are vital to success, at Silvertrees Academy we:

- Implement a whole academy approach to self-evaluation;
- Follow assessment policy and procedures, whilst continuing to develop formative assessment processes;
- Develop staff accountability for the progress of all children;
- Teachers, SLT and UPS Teams monitor progress of all children regularly;
- Continually track individual progress of all children;
- Track progress of identified vulnerable groups;
- Plan thoroughly to meet all individual needs;
- Use assessment to inform planning at all times;
- Set individual, group class and whole academy targets that are challenging;
- Implement appropriate interventions, including Individual Education Plans for children with Special Educational Needs, English as an Additional Language and vulnerable groups;
- Work closely with other appropriate agencies to ensure we meet the needs of all children.

SILVERTREES ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Key performance indicators

Pupil numbers

Pupil numbers have been consistent around 260 full time school places for a number of years (full capacity is 270). However, birth rates for Sandwell are declining which may affect future cohort numbers and school budgets. Nursery places have steadily declined over the last 3 years which again indicates that occupancy figures may fall in the future. Governors analyse pupil projections termly so they are able to make accurate budget forecasts and take appropriate action.

Staffing Ratio

The main costs incurred by the Academy are staffing costs. In line with other schools/academies in the Key Stage 1 sector staffing costs are:

Total staffing costs per pupil £4,759 (2021 - £4,156)

Total staffing costs as a proportion of the total expenditure (excluding capital works) of the Academy is 80.2% (2021 80.6%).

The children of Silvertrees Academy greatly benefit from having experienced, committed and talented staff. The Academy continues to place value on the investment in and mentoring of staff. Silvertrees Academy has high support staff costs as we have high numbers of 2 and 3 year olds with a staffing ratio of 1:4 and 1:8 and also high numbers of children who have additional needs funding and have small group or 1:1 support. Unfunded pay rises for teachers and support staff will add significant financial costs to the academy and staffing for 2023-23 will need to be reviewed to maintain a healthy financial position.

Going concern

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

Financial review

The main sources of income for the Academy are grants from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31st August 2022 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The Academy also receives grants for the fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2015), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the useful life of the assets concerned as defined in the Academy's accounting policies.

During the year ended 31st August 2022, total expenditure of £2,181,057 was largely covered by recurrent grant funding from the ESFA together with other incoming resources. The excess expenditure over income for the year was £139,568.

At 31st August 2022 the net book value of fixed assets was £2,962,907 and movements in tangible fixed assets are shown in note 11 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

Financial and Risk Management Objectives and Policies

The Governors have prepared a Risk Register and agreed a Risk Management strategy. These include the financial risks to the academy. The register and strategy are regularly reviewed in light of any new information and will be formally reviewed annually.

SILVERTREES ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Reserves policy

The Academy is holding net current assets of £418,105 at 31st August 2022 (2020/21: £665,388).

The budget monitoring report which includes the carry forward estimate is distributed to Governors six times a year and monthly to the Chair of Governors. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

Investment policy

There are no material investments held by the Academy.

Principal risks and uncertainties

The principle financial risk facing the Academy is now unprecedented rising costs, particularly energy bills and staff pay rises, with no additional income expected. The accounting officer and governors will need to carefully consider income, projected expenditure rises and use of reserves when planning how to maintain educational standards.

Pupil numbers is also a future concern. Historically the Academy has 350 pupils but Governors are aware that, in the long term, it will face falling rolls due to low birth rate and undertake termly pupil number projections to inform budget setting. The expansion of Sacred Heart Primary from a one to two form entry school in 2018 is having more effect on pupil numbers at Silvertrees Academy as birth rates begin to drop. The latest Ofsted inspection of Good has raised Silvertrees reputation in the local area which has mitigated some effects on pupil numbers however our feeder school, Tipton Green Junior, has a Requires Improvement Ofsted judgement which can affect parental views.

The Local Government Pension Scheme, a defined benefit system, is currently in deficit. The on-going contributions are determined by actuarial valuation. There is a risk due to the pension scheme being in deficit. The contribution rates are calculated by the scheme actuary and published in advance. The Academy uses this information to ensure forecasts are updated and the cost of pensions remains affordable.

Fundraising

The academy has separate financial operating system for fundraising and donations, both for fundraising on behalf of others (i.e Children in Need etc) and for the academy itself. The academy does not have any connection with commercial participators / professional fundraisers.

Plans for future periods

Governors are committed to support and challenge the Academy in order to maintain the high levels of achievement which pupils currently attain.

The Academy's Self Evaluation has identified specific development focuses for the academic year 2022/23 to raise quality of education and leadership these include:

- Further raising standards in writing across school
- Further raising achievement for vulnerable groups so gaps for disadvantaged children and boys diminish
- Further develop foundation subject curriculums to achieve a broad, balanced and well sequenced curriculum
- Develop and implement a whole school approach to well-being
- Raise parental engagement so all parents can be active partners in their children's learning

The Academy's risk register will guide future planning for finance, staffing, estate management ...

Funds held as custodian trustee on behalf of others

There are no funds held as Custodial Trustee on behalf of others.

SILVERTREES ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Auditor

In so far as the Governors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Governors 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.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 07 December 2022 and signed on its behalf by:



R Rai-Aheer
Chair

SILVERTREES ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

Scope of responsibility

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

The Governing Body has delegated the day-to-day responsibility to the Head as Accounting Officer, for ensuring financial controls conform to 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 Silvertrees Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 4 times during the year. Attendance during the year at meetings of the board of trustees including the finance committee was as follows:

Governors	Meetings attended	Out of possible
R Turvey (Accounting Officer)	11	11
V Patel	4	8
R Rai-Aheer (Chair)	1	8
A Mistry	8	8
M Hussain (Resigned 22 September 2021)	0	0
K Kirkham	7	7
J Griffiths	6	7
N Timms	4	8
A Mushtaq	5	7

Conflicts of Interest

The Academy is committed to ensuring that decisions and decision-making processes are made in the best interests of the Academy. The activities of Trustees and staff are conducted to the highest ethical standards and integrity. Trustees and staff recognise activities that might give rise to conflicts of interest, declare any conflicts which may arise and are able to manage all arising conflicts so as not to affect the decision making of the Academy. Trustees sign, on an annual basis, a declaration of interests. Trustees will not take part in a decision where a potential conflict of interest may arise such as a related party transaction in which the Trustee has an interest. All conflicts of interest are disclosed and will be recorded in minutes as appropriate.

SILVERTREES ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Review of value for money

As Accounting Officer, the Head Teacher has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the tax payer resources received.

The Accounting Officer considers how the Trusts use of its resources has provided good value for money during each academic year and reports to the Governing Body where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the Academy trust has delivered improved value for money during the year by:

- Generating income for 30 hour Nursery places by charging for the additional hour of lunch club supervision.
- Putting in place advice from SRMA advisor visit to control spending and achieve best VFM.
- Review of permanent staffing structure with governing board leading to reduction in dinner supervisor staff as recommended by SRMA.
- Reviewing service providers and contracts and sourcing best VFM for the service provided.
- Using DFE procurement frameworks to achieve best VFM e.g. energy supplier and reprographics.
- Maintaining a 3 year building maintenance and upgrade plan which closely meets school need and budget allocations.
- Successfully securing CIF for boiler replacement project.

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 Silvertrees Academy Trust for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and accounts. These processes are regularly reviewed by the Governing Body.

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 2021 to 31 August 2022 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Governing Body.

SILVERTREES ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- identification and management of risks.

Following a breach in the auditors terms, the members took immediate action to remove the auditors and appoint CKCA for preparation of the 2020/21 annual account. The ESFA were duly informed. To comply with the Academies Handbook Trustees appointed Felton Accountants to conduct the Internal Financial Scrutiny Report.

The Auditor's role includes performing a range of checks on the Academy Trust's financial systems. The Auditor has reported to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities. No material control issues have been brought to the attention of the Trustees arising as a result of the Auditor's work.

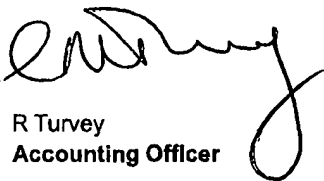
Review of effectiveness

As Accounting Officer, had responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- The work of the external Auditor;
- The financial management and governance self-assessment process;

The Accounting Officer has been advised of any implications as a result of the above review system. The Finance and General Purpose Committee plan to ensure continuous improvement of the system in place.

Approved by order of the board of trustees on 07 December 2022 and signed on its behalf by:



R Turvey
Accounting Officer



R Rai-Aheer
Chair

SILVERTREES ACADEMY TRUST

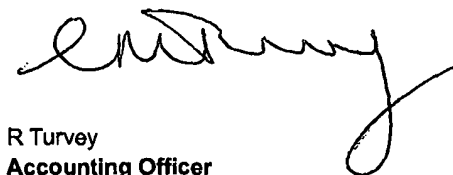
STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2022

As accounting officer of Silvertrees Academy Trust, I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

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 2021.

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.



R Turvey
Accounting Officer

07 December 2022

SILVERTREES ACADEMY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2022

The Governors (who act as Trustees for charitable activities of Silvertrees Academy Trust and are also the Directors of the Charitable Company for the purposes of company law) are responsible for preparing the Governors' report and the financial statements in accordance with applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Annual Accounts Direction issued by the Education and Skills Funding Agency.

Company law requires the Governors to prepare accounts for each financial year. Under company law, the Governors 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 Governors 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 2021 to 2022;
- 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 Governors 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 Governors are responsible for ensuring that in its conduct and operation the Academy applies financial and other controls, which conform to the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the board of trustees on 07 December 2022 and signed on its behalf by:



R Rai-Aheer
Chair

SILVERTREES ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2022

Opinion

We have audited the accounts of Silvertrees Academy Trust for the year ended 31 August 2022 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 2021 to 2022 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 2022 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 2021 to 2022.

Basis for opinion

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

Conclusions relating to going concern

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

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

Our responsibilities and the responsibilities of the Governors 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 Governors 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.

SILVERTREES ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SILVERTREES ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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 Governors

As explained more fully in the statement of trustees' responsibilities, the Governors 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 Governors 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 Governors 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 Governors either intend to liquidate the charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

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

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

We identified and assessed the risks of material misstatement of the financial statements, in respect of irregularities whether due to fraud or error, or non compliance with laws and regulations and then designed and performed audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company by discussion and enquiry with the Governors and management team and our general knowledge and experience of the education sector.

SILVERTREES ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SILVERTREES ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, Academies Financial Handbook and Academy Accounts Direction, employment, and health and safety legislation;

We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management, reviewing correspondence with Ofsted and reviewing board minutes.

We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed included but were not limited to:

- Discussions with directors and management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- Confirming our understanding of controls by performing a walk through test or observation and enquiry;
- Performing analytical procedures to identify any unusual or unexpected relationships;
- Challenging assumptions and judgements made by management in its significant accounting estimates;
- Identifying and testing journal entries;
- Reviewing unusual or unexpected transactions; and
- Agreeing the financial statement disclosures to underlying supporting documentation.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities 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.



Wendy Davies (Senior Statutory Auditor)
for and on behalf of CK Audit

7 December 2022

Chartered Accountants
Statutory Auditor

No 4 Castle Court 2
Castlegate Way
Dudley
West Midlands
DY1 4RH

SILVERTREES ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2022

In accordance with the terms of our engagement letter dated 12 August 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Silvertrees Academy Trust during the period 1 September 2021 to 31 August 2022 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 Silvertrees Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Silvertrees Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Silvertrees Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Silvertrees Academy Trust's funding agreement with the Secretary of State for Education dated 25 May 2012 and the Academy Trust Handbook, extant from 1 September 2021, 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 2021 to 2022. 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 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- A review of management reporting documents;
- A review of directors' minutes;
- A review of internal scrutiny performed in the year;
- A review of income to assess whether grants have been applied in accordance with the terms and conditions attached to them; and
- A review of policies and procedures to assess whether they are sufficiently robust to ensure that expenditure has been applied for the purposes intended by Parliament.

SILVERTREES ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2022

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 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Reporting Accountant
CK Audit

Dated: 07 December 2022

SILVERTREES ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted funds £	Restricted funds: General £ Fixed asset £	Total 2022 £	Total 2021 £
Income and endowments from:					
Donations and capital grants	3	12,055	-	7,708	19,763
Charitable activities:					
- Funding for educational operations	4	-	1,953,513	-	1,953,513
Other trading activities	5	68,154	-	-	68,154
Investments	6	59	-	-	59
Total		80,268	1,953,513	7,708	2,041,489
Expenditure on:					
Charitable activities:					
- Educational operations	8	59,096	2,017,389	104,572	2,181,057
Total	7	59,096	2,017,389	104,572	2,181,057
Net income/(expenditure)		21,172	(63,876)	(96,864)	(139,568)
Transfers between funds	17	-	(96,122)	96,122	-
Other recognised gains/(losses)					
Actuarial gains/(losses) on defined benefit pension schemes	19	-	2,253,000	-	2,253,000
Net movement in funds		21,172	2,093,002	(742)	2,113,432
Reconciliation of funds					
Total funds brought forward		278,321	(2,970,390)	2,963,649	271,580
Total funds carried forward		299,493	(877,388)	2,962,907	2,385,012

SILVERTREES ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2022

Comparative year information		Unrestricted	Restricted funds:		Total
Year ended 31 August 2021		funds	General	Fixed asset	2021
	Notes	£	£	£	£
Income and endowments from:					
Donations and capital grants	3	9,805	-	280,817	290,622
Charitable activities:					
- Funding for educational operations	4	-	1,842,680	-	1,842,680
Other trading activities	5	36,391	-	-	36,391
Investments	6	68	-	-	68
Total		<u>46,264</u>	<u>1,842,680</u>	<u>280,817</u>	<u>2,169,761</u>
Expenditure on:					
Charitable activities:					
- Educational operations	8	-	1,812,789	65,228	1,878,017
Total	7	<u>-</u>	<u>1,812,789</u>	<u>65,228</u>	<u>1,878,017</u>
Net income		46,264	29,891	215,589	291,744
Transfers between funds	17	-	(52,056)	52,056	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	19	-	(271,000)	-	(271,000)
Net movement in funds		46,264	(293,165)	267,645	20,744
Reconciliation of funds					
Total funds brought forward		232,057	(2,677,225)	2,696,004	250,836
Total funds carried forward		<u>278,321</u>	<u>(2,970,390)</u>	<u>2,963,649</u>	<u>271,580</u>

SILVERTREES ACADEMY TRUST

BALANCE SHEET

AS AT 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	12		2,962,907		2,690,601
Current assets					
Debtors	13	62,758		271,101	
Cash at bank and in hand		525,017		535,451	
		<u>587,775</u>		<u>806,552</u>	
Current liabilities					
Creditors: amounts falling due within one year	14	(169,670)		(141,164)	
Net current assets			418,105		665,388
Total assets less current liabilities			3,381,012		3,355,989
Creditors: amounts falling due after more than one year	15		-		(7,409)
Net assets before defined benefit pension scheme liability			3,381,012		3,348,580
Defined benefit pension scheme liability	19		(996,000)		(3,077,000)
Total net assets			<u>2,385,012</u>		<u>271,580</u>
Funds of the academy trust:					
Restricted funds	17				
- Fixed asset funds			2,962,907		2,963,649
- Restricted income funds			118,612		106,610
- Pension reserve			(996,000)		(3,077,000)
Total restricted funds			2,085,519		(6,741)
Unrestricted income funds	17		299,493		278,321
Total funds			<u>2,385,012</u>		<u>271,580</u>

The accounts on pages 21 to 40 were approved by the Governors and authorised for issue on 07 December 2022 and are signed on their behalf by:



R Rai-Aheer
Chair

Company registration number 08590916

SILVERTREES ACADEMY TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Net cash provided by operating activities	20		153,527		113,335
Cash flows from investing activities					
Dividends, interest and rents from investments		59		68	
Capital grants from DfE Group		212,858		75,667	
Purchase of tangible fixed assets		(376,878)		(68,272)	
Net cash (used in)/provided by investing activities			(163,961)		7,463
Net (decrease)/increase in cash and cash equivalents in the reporting period			(10,434)		120,798
Cash and cash equivalents at beginning of the year			535,451		414,653
Cash and cash equivalents at end of the year			525,017		535,451

SILVERTREES ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

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 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

The Governors 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 Governors 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.

SILVERTREES ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

1.5 Tangible fixed assets and depreciation

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

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

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

Land and buildings	1%
Computer equipment	25%
Fixtures, fittings & equipment	20%

Assets in the course of construction are included at cost. Depreciation on these assets are not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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.

SILVERTREES ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

1.6 Liabilities

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

1.7 Leased assets

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

1.8 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. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities

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

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

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.

SILVERTREES ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

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.

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 Governors.

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

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

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.

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 19, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2022. 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.

Critical areas of judgement

There are no critical areas of judgement that affect the Financial Statements.

SILVERTREES ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Capital grants	-	7,708	7,708	280,817
Other donations	12,055	-	12,055	9,805
	<u>12,055</u>	<u>7,708</u>	<u>19,763</u>	<u>290,622</u>

4 Funding for the academy trust's charitable activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
DfE/ESFA grants				
General annual grant (GAG)	-	1,296,118	1,296,118	1,252,049
Other DfE/ESFA grants:				
- Pupil premium	-	104,527	104,527	96,182
- Others	-	147,235	147,235	172,476
	<u>-</u>	<u>1,547,880</u>	<u>1,547,880</u>	<u>1,520,707</u>
Other government grants				
Local authority grants	-	372,869	372,869	283,304
Special educational projects	-	32,764	32,764	17,949
	<u>-</u>	<u>405,633</u>	<u>405,633</u>	<u>301,253</u>
COVID-19 additional funding				
DfE/ESFA				
Other DfE/ESFA COVID-19 funding	-	-	-	20,720
	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,720</u>
Total funding	<u>-</u>	<u>1,953,513</u>	<u>1,953,513</u>	<u>1,842,680</u>

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Catering income	3,208	-	3,208	1,745
Other Income	64,946	-	64,946	34,646
	<u>68,154</u>	<u>-</u>	<u>68,154</u>	<u>36,391</u>

SILVERTREES ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

6 Investment Income

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Short term deposits	59	-	59	68

7 Expenditure

	Staff costs £	Non-pay expenditure Premises £	Other £	Total 2022 £	Total 2021 £
Academy's educational operations					
- Direct costs	1,178,090	-	87,011	1,265,101	1,128,585
- Allocated support costs	473,226	197,345	245,385	915,956	749,432
	<u>1,651,316</u>	<u>197,345</u>	<u>332,396</u>	<u>2,181,057</u>	<u>1,878,017</u>

Net income/(expenditure) for the year includes:

	2022 £	2021 £
Fees payable to auditor for:		
- Audit	5,550	5,250
- Other services	750	1,850
Operating lease rentals	19,810	15,958
Depreciation of tangible fixed assets	104,572	65,228
Net interest on defined benefit pension liability	51,000	43,000

8 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Direct costs				
Educational operations	59,096	1,206,005	1,265,101	1,128,585
Support costs				
Educational operations	-	915,956	915,956	749,432
	<u>59,096</u>	<u>2,121,961</u>	<u>2,181,057</u>	<u>1,878,017</u>

SILVERTREES ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

8 Charitable activities

(Continued)

	2022 £	2021 £
Analysis of support costs		
Support staff costs	474,078	387,616
Depreciation	104,572	65,228
Premises costs	92,773	73,602
Other support costs	236,929	216,969
Governance costs	7,604	6,017
	<u>915,956</u>	<u>749,432</u>

There was an amount included in the direct costs of the comparative year of £134,933 that related to support staff costs. This has been restated to show within support costs.

9 Staff

Staff costs

Staff costs during the year were:

	2022 £	2021 £
Wages and salaries	1,169,804	1,046,463
Social security costs	71,181	62,449
Pension costs	404,535	325,832
	<u>1,645,520</u>	<u>1,434,744</u>
Staff costs - employees	1,645,520	1,434,744
Agency staff costs	5,796	19,772
	<u>1,651,316</u>	<u>1,454,516</u>
Staff development and other staff costs	14,484	7,303
	<u>1,665,800</u>	<u>1,461,819</u>

Staff numbers

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

	2022 Number	2021 Number
Teachers	13	12
Administration and support	47	43
Management	4	4
	<u>64</u>	<u>59</u>

SILVERTREES ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

9 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:

	2022 Number	2021 Number
£60,000 - £70,000	1	1

Key management personnel

The key management personnel of the academy trust comprise the Governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £281,417 (2021: £252,087).

10 Trustees' remuneration and expenses

One or more of the Governors has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff Governors 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 Governors.

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

Principal: Mrs. Turvey Remuneration £60,001 - £65,000 (2021 £60,001 - £65,000)
Employer's Pension Contributions paid £15,001 - £20,000 (2021 £10,001 - £15,000)
Staff Trustee: Mrs. Kirkham Remuneration £50,001 - £55,000 (2021 £50,001 - £55,000)
Employer's Pension Contributions paid £10,001 - £15,000 (2021 £10,001 - £15,000)

During the period ended 31 August 2022, no travel and subsistence expenses were reimbursed to trustees (2021 £Nil)

Other related party transactions involving the Trustees are set out in note 24.

11 Trustees' and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2022 was £81 (2021: £81).

The cost of this insurance is included in the total insurance cost.

SILVERTREES ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

12 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 September 2021	2,852,414	30,628	244,598	3,127,640
Additions	47,338	14,500	315,040	376,878
At 31 August 2022	2,899,752	45,128	559,638	3,504,518
Depreciation				
At 1 September 2021	219,463	15,384	202,192	437,039
Charge for the year	28,564	5,979	70,029	104,572
At 31 August 2022	248,027	21,363	272,221	541,611
Net book value				
At 31 August 2022	2,651,725	23,765	287,417	2,962,907
At 31 August 2021	2,632,951	15,244	42,406	2,690,601

13 Debtors

	2022 £	2021 £
VAT recoverable	2,840	7,808
Prepayments and accrued income	59,918	263,293
	62,758	271,101

14 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	45,780	16,424
Other taxation and social security	21,892	19,226
Other creditors	7,410	7,409
Accruals and deferred income	94,588	98,105
	169,670	141,164

15 Creditors: amounts falling due after more than one year

	2022 £	2021 £
Other creditors	-	7,409

SILVERTREES ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

15 Creditors: amounts falling due after more than one year

(Continued)

Included within other creditors is a loan balance of £7,409 from Sandwell MBC which is provided on the following terms: Fifteen annual payments of £7,409 commencing in 2009/10 financial year and representing the former Victoria Infant School commitment to a Council wide agreement to fund equal value settlements arising from Single Status disputes.

16 Deferred Income

	2022 £	2021 £
Deferred income is included within:		
Creditors due within one year	42,338	51,534
Deferred income at 1 September 2021	51,534	50,669
Released from previous years	(51,534)	(50,669)
Resources deferred in the year	42,338	51,534
Deferred Income at 31 August 2022	42,338	51,534

17 Funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted general funds					
General Annual Grant (GAG)	106,610	1,296,118	(1,187,994)	(96,122)	118,612
Pupil premium	-	104,527	(104,527)	-	-
Other DfE/ESFA grants	-	147,235	(147,235)	-	-
Other government grants	-	405,633	(405,633)	-	-
Pension reserve	(3,077,000)	-	(172,000)	2,253,000	(996,000)
	<u>(2,970,390)</u>	<u>1,953,513</u>	<u>(2,017,389)</u>	<u>2,156,878</u>	<u>(877,388)</u>
Restricted fixed asset funds					
Inherited on conversion	2,554,095	-	(27,700)	-	2,526,395
DfE group capital grants	308,653	7,708	(56,007)	-	260,354
Capital expenditure from GAG	100,901	-	(20,865)	96,122	176,158
	<u>2,963,649</u>	<u>7,708</u>	<u>(104,572)</u>	<u>96,122</u>	<u>2,962,907</u>
Total restricted funds	<u>(6,741)</u>	<u>1,961,221</u>	<u>(2,121,961)</u>	<u>2,253,000</u>	<u>2,085,519</u>
Unrestricted funds					
General funds	<u>278,321</u>	<u>80,268</u>	<u>(59,096)</u>	<u>-</u>	<u>299,493</u>
Total funds	<u>271,580</u>	<u>2,041,489</u>	<u>(2,181,057)</u>	<u>2,253,000</u>	<u>2,385,012</u>

SILVERTREES ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

17 Funds

(Continued)

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2022.

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	64,775	1,252,049	(1,158,158)	(52,056)	106,610
Pupil premium	-	96,182	(96,182)	-	-
Other DfE/ESFA COVID-19 funding	-	20,720	(20,720)	-	-
Other DfE/ESFA grants	-	172,476	(172,476)	-	-
Other government grants	-	301,253	(301,253)	-	-
Pension reserve	(2,742,000)	-	(64,000)	(271,000)	(3,077,000)
	<u>(2,677,225)</u>	<u>1,842,680</u>	<u>(1,812,789)</u>	<u>(323,056)</u>	<u>(2,970,390)</u>
Restricted fixed asset funds					
Inherited on conversion	2,581,795	-	(27,700)	-	2,554,095
DfE group capital grants	37,560	280,817	(9,724)	-	308,653
Capital expenditure from GAG	76,649	-	(27,804)	52,056	100,901
	<u>2,696,004</u>	<u>280,817</u>	<u>(65,228)</u>	<u>52,056</u>	<u>2,963,649</u>
Total restricted funds	<u>18,779</u>	<u>2,123,497</u>	<u>(1,878,017)</u>	<u>(271,000)</u>	<u>(6,741)</u>
Unrestricted funds					
General funds	<u>232,057</u>	<u>46,264</u>	<u>-</u>	<u>-</u>	<u>278,321</u>
Total funds	<u>250,836</u>	<u>2,169,761</u>	<u>(1,878,017)</u>	<u>(271,000)</u>	<u>271,580</u>

18 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	-	-	2,962,907	2,962,907
Current assets	299,493	288,282	-	587,775
Current liabilities	-	(169,670)	-	(169,670)
Pension scheme liability	-	(996,000)	-	(996,000)
Total net assets	<u>299,493</u>	<u>(877,388)</u>	<u>2,962,907</u>	<u>2,385,012</u>

SILVERTREES ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

18 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	-	-	2,690,601	2,690,601
Current assets	278,321	255,183	273,048	806,552
Current liabilities	-	(141,164)	-	(141,164)
Non-current liabilities	-	(7,409)	-	(7,409)
Pension scheme liability	-	(3,077,000)	-	(3,077,000)
Total net assets	278,321	(2,970,390)	2,963,649	271,580

19 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 West Midlands Pension Fund and the Staffordshire Pension Fund. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £0 (2021: £0) were payable to the schemes at 31 August 2022 and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019.

SILVERTREES ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

19 Pension and similar obligations

(Continued)

The key elements of the valuation and subsequent consultation are:

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

The 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 £119,535 (2021: £102,832).

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 made for the year ended 31 August 2022 was £192,000 (2021: £228,000), of which employer's contributions totalled £164,000 (2021: £202,000) and employee's contributions totalled £28,000 (2021: £26,000). The agreed contribution rates for future years are 17.5% for employers from April 2019 and a range between 5.5% and 12.5%, based on earnings, 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.

Employer contributions include additional contributions of £63,136 (2021: £96,013) as agreed with the West Midlands Local Government Pension Scheme. This is part of a 23 year arrangement to eradicate the deficit on the overall pension scheme by 2036.

Total contributions made	2022 £	2021 £
Employer's contributions	164,000	202,000
Employees' contributions	28,000	26,000
Total contributions	<u>192,000</u>	<u>228,000</u>

SILVERTREES ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

19 Pension and similar obligations (Continued)

Principal actuarial assumptions	2022 %	2021 %
Rate of Increase in salaries	4.05	3.9
Rate of Increase for pensions in payment/inflation	3.05	2.9
Discount rate for scheme liabilities	4.25	1.65
Inflation assumption (CPI)	9.90	

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

	2022 Years	2021 Years
Retiring today		
- Males	21.2	21.6
- Females	23.6	24.0
Retiring in 20 years		
- Males	22.9	23.4
- Females	25.4	25.8

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

The academy trust's share of the assets in the scheme	2022 Fair value £	2021 Fair value £
Equities	1,690,410	1,500,000
Gilts	529,830	204,000
Other bonds	-	151,000
Cash	100,920	91,000
Property	201,840	173,000
Other assets	-	345,000
Total market value of assets	2,523,000	2,464,000

The actual return on scheme assets was £(77,000) (2021: £355,000).

Amount recognised in the statement of financial activities	2022 £	2021 £
Current service cost	285,000	223,000
Interest income	(42,000)	(32,000)
Interest cost	93,000	75,000
Total operating charge	336,000	266,000

SILVERTREES ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

19	Pension and similar obligations		(Continued)
	Changes in the present value of defined benefit obligations		2022
			£
	At 1 September 2021		5,541,000
	Current service cost		285,000
	Interest cost		93,000
	Employee contributions		28,000
	Actuarial (gain)/loss		(2,372,000)
	Benefits paid		(56,000)
	At 31 August 2022		3,519,000
	Changes in the fair value of the academy trust's share of scheme assets		2022
			£
	At 1 September 2021		2,464,000
	Interest income		42,000
	Actuarial loss/(gain)		(119,000)
	Employer contributions		164,000
	Employee contributions		28,000
	Benefits paid		(56,000)
	At 31 August 2022		2,523,000
20	Reconciliation of net (expenditure)/income to net cash flow from operating activities		
		2022	2021
		£	£
	Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(139,568)	291,744
	Adjusted for:		
	Capital grants from DfE and other capital income	(7,708)	(280,817)
	Investment income receivable	6 (59)	(68)
	Defined benefit pension costs less contributions payable	19 121,000	21,000
	Defined benefit pension scheme finance cost	19 51,000	43,000
	Depreciation of tangible fixed assets	104,572	65,228
	Decrease/(increase) in debtors	3,193	(20,692)
	Increase/(decrease) in creditors	21,097	(6,060)
	Net cash provided by operating activities	153,527	113,335

SILVERTREES ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

21 Analysis of changes in net funds

	1 September 2021 £	Cash flows £	31 August 2022 £
Cash	535,451	(10,434)	525,017

22 Long-term commitments

Operating leases

At 31 August 2022 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2022 £	2021 £
Amounts due within one year	987	1,317
Amounts due in two and five years	-	987
	987	2,304

23 Related party transactions

The following related party transactions took place in the financial period.

The academy trust purchased goods from the partner of a member of the key management team totalling £250 (2021: £0) during the period. There were no amounts outstanding at 31 August 2022 (2021: £0). The academy trust made the purchase at arms' length following consideration by the Head Teacher with no participation or influence from the EYFS Assistant Head Teacher.

In entering into the transaction, the academy trust has complied with the requirements of the Academy Trust handbook with the service provided 'at no more than cost'.

24 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 £1 for the debts and liabilities contracted before he or she ceases to be a member.