

**Ironstone Academy Trust
(A Company Limited by Guarantee)**

Annual Report and Financial Statements
for the Year Ended 31 August 2024

"EESFA Copy"

Ironstone Academy Trust
(A Company Limited by Guarantee)

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for the Year Ended 31 August 2024

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Ironstone Academy Trust
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Reference and Administrative Information

MEMBERS

S Elliott	Chair
L Brown	
G Finch	

TRUSTEES

S Elliott (MAT (Multi Academy Trust))
L Addison (MAT)
C Faulkner (MAT)
P Robinson (MAT)
K Deen (MAT) (resigned 03.10.24)
R Carter (MAT)
D Atkin (MAT)
T Smith (MAT)
D Holmes (MAT)

SENIOR MANAGEMENT TEAM

C Faulkner	CEO
A O’Gara	Executive Head Teacher
K Pentney	Head Teacher
A Blackburn	Deputy CEO / Head Teacher
K Reilly	Head Teacher
S Morrison (from 01.09.2023 – 30.4.2024)	Head Teacher
P Richardson	Head of School
T Watson	Head Teacher
N Salter	Head of School
S Hall (retired 31.8.2024)	Trust Finance and Business Officer
A Wilson (retired 31.3.2024)	Trust Finance and Business Manager

COMPANY NAME

Ironstone Academy Trust

PRINCIPAL AND REGISTERED OFFICE

Ironstone Academy Trust
Normanby Primary School
Flatts Lane
Normanby
Middlesbrough TS6 0PN

COMPANY REGISTRATION NUMBER

09040348 (England & Wales)

BANKER

Lloyds Bank
83-85 Linthorpe Road
Middlesbrough TS1 5BU

INDEPENDENT AUDITOR

Anderson Barrowcliff Limited
Chartered Accountants
3 Kingfisher Court
Bowesfield Park
Stockton on Tees TS18 3EX

SOLICITORS

First North Law County Hall 6 Racecourse Lane Northallerton DL7 8AD	Corporate Resources Directorate Legal and Governance Services Council Offices Kirkleatham Street Redcar TS10 1RT
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Trustees' Report

Organisational structure

The Trustees Board has established committees and appoints Trustees to serve on each of the committees annually. The committees for the year of the report were:

- Finance Audit & General Purposes
- Curriculum Standards and Pupil Welfare
- Pay Review and Performance Management

The Trustees Board reserves decisions such as appointing and removal of governors and Head Teachers, determining specific trustees' portfolios, determining governance policies and procedures for Trustees and Local Governing Bodies, agreeing legal documents and considerations on bringing new schools into the trust.

Decisions delegated to Local Governing Bodies and Senior Leadership Teams include, but are not limited to, appointment, dismissal, review of pay and progression of Senior Academy Leaders, appointment of Business Managers or equivalent, the use of exclusions and the provision of school meals.

The written terms of references of the committees include budget monitoring and the preparation and management of the academy's financial management policies, including risk assessment and audit. Further details are noted in the Governance Statement.

The CEO (Chief Executive Officer) is the Accounting Officer.

Formal minutes are kept, as a record of all Local Governing Body, Trustee and Members meetings.

Arrangements for setting pay and remuneration of key management personnel

Pay and remuneration of key management personnel are set using Standard Terms Pay Conditions Document (STPCD) and the employment of independent consultants who review the performance of the school and report back to the LGBs (Local Governing Bodies) who make a recommendation. In the case of the CEO, they report to the Trustees.

Trade Union facility time

The trust has a Facility Time Agreement with the unions, in accordance with The Trade Union (Facility Time Publication Requirements) Regulations 2017. The Trust works with Redcar and Cleveland Local Authority to fulfil this obligation.

No employees were relevant union officials during the relevant period.

Related parties and other connected charities and organisations

Ironstone Academy Trust was a member of the North East Schools Teaching Alliance which included 8 local primary schools and 2 secondary schools and one associate secondary school member. The Head Teacher of each school represented their academy at the annual review meeting. Additionally, a Local Governing Body governor represented the academy at one additional meeting. The Alliance worked collaboratively to secure the delivery of initial teacher training.

Ironstone Academy Trust is a member of Allied Education which includes 6 local primary Multi Academy Trusts and 2 secondary school Multi Academy Trusts, the group share good practice and provide an occasional support forum for administration staff. They meet each half term.

The Trust has also worked with one academy with whom they have a strong working relationship, this collaboration is mutually beneficial. The expertise of staff has been shared for the benefit of pupils in both schools.

The CEO provides advice to one other Multi Academy Trust in respect of the Performance Management of their Head teachers.

Engagement with employees (including disabled staff)

Ironstone Academy Trust is an equal opportunity employer and strives to give full and fair consideration to all applicants for employment, training and promotions, irrespective of disability, gender and race, colour or sexual orientation.

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Trustees' Report

The trust employs a small central team. The CEO (and their Deputy), TFBM (Trust Finance & Business Manager), School Improvement Officer, Safeguarding Officer, Attendance Officer and are supported by two part-time staff.

Two members of teaching staff perform a school Improvement function on a part-time basis. Each school has a named School Champion who supports their function.

Together, these positions support the CEO and Head teachers in providing staff development opportunities for all employees who work directly with pupils.

The TFBM provides monthly training to finance and administration staff.

In respect of applications from disabled persons we can provide application forms in a range of formats. We use a professional HR company to advise on recruitment processes so that they are transparent and equitable. For existing employees who become disabled the trust has evidence of holding meetings to agree 'reasonable variations' to allow them to continue to fulfil their contractual duties. Additionally, the trust has made use of the Access to Work Scheme.

Formal surveys of staff are carried out by school leaders, at least termly, which seek to develop the Trust's understanding of where they have concerns that are impacting on their work. Provision has now been made for these to be carried out on a centralised basis, to minimise the workload. Data from survey activity is shared with the Senior Leadership Team of each school, and with the respective Governing Body. Key information is then shared with Trustees.

The staff at each academy have several opportunities to contribute to school improvement, through their involvement in school development activities and their respective leadership roles. All teaching, leadership, teaching assistant and administration staff take part in annual performance management reviews. All staff were able to suggest ways in which their academy could minimize its expenditure, be more efficient and suggest areas for improvement in the forthcoming year.

Plans for improvement are shared with all staff, and displayed in each staff room. Regular monitoring opportunities for those involved in Governance allow them to develop their understanding of school and Trust performance.

Three meetings are held each year, which are attended by all teachers, teaching assistants and Governors, that review the factors impacting on the performance of the academy.

OBJECTIVES AND ACTIVITIES

Objects and aims

'Ironstone Academy Trust will build a partnership of schools. The Trust will put the needs of pupils at the heart of their decision making and will, through collaborative working and challenge strive to meet their needs. Partners in the Trust will work and learn together. Our pupils will be confident, knowledgeable, well-managed and ready to take on the challenge that life brings, and they will be well supported in meeting these aims.'

The strategic goal of Ironstone Academy Trust is to ensure every young person who leaves our care should be able to live healthily, enjoying safe, happy and fulfilling lives, free from poverty and with a desire to continue learning, expand their horizons and realize their ambitions and aspirations.

The Trust has just completed the second year of its first two-year Strategy. Trustees received a detailed report on the progress made in the 5 Critical Success factors that had been identified; progress was positive in all 5. A plan for the second strategy was completed in April 2024; it was written by Trustees and senior leaders.

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Trustees' Report

The Trust aims to maintain and improve upon its good status through:

- Ensuring the provision of outstanding teaching and learning.
- Providing a stable environment for both recruitment and retention of high-quality staff.
- Creating an environment for the Trust to be well led.
- Ensuring that the above takes place within the context of strong financial management.
- Trust outcomes for young people in terms of the progress they make, KS1-KS2 will be significantly above national average across all academies in the Trust.

The number of pupils classed as disadvantaged in the trust has increased. In 2018 this was 17% of pupils, whilst the most recent data indicates this is now 29% of pupils. The number of children with an identified special educational need has increased over the same period by 6% and is now showing us 8.8%.

Public benefit

In setting our objectives and planning our activities, the Trustees have complied with their duty to have regard to the guidance on public benefit published by the Charity Commission. The evidence of the public benefit provided is detailed below in the strategic report which shows the quality of education provided.

STRATEGIC REPORT

A Trust Strategy has provided the framework for the development plans of all schools. This was compiled using the wisdom and expertise of Trustees, Local Governors, Head teachers and Senior Leaders. Prior to this work the views of pupils and staff were obtained.

To support implementation a clear strategic plan was written and shared with all staff and those involved in Governance. This is used to hold staff to account. Furthermore, a joint SLT meeting in September with Education Endowment Foundation guided SLTs (Senior Leadership Teams) in scope and recording of Implementation Plans, building consistent workload expectations and language for improvement within Ironstone. This strategic review, completed with external support, allowed Trustees, LGBs (Local Governing Bodies), HTs, SLT and Central Team to contribute to a Trust Strategy document.

Following inspection the need for further intervention was confirmed in one Trust School. Through the support of the RAG (Raising Achievement Group), the school quickly improved and has subsequently continued to develop in line within other academies. The school is now graded as good.

A unified approach to school improvement planning now mitigates against the risk of duplication of effort by running separate school and Trust plans.

Staff surveys are carried out regularly to ensure the voice of all staff is heard, concerns and good practice are shared, and lessons learned. An example of this is that subject lead meetings are now carefully timetabled. This ensures that staff workload is considered with additional meetings evenly distributed through the year and often starting at 2.00pm.

At the Summer Term Trustees meeting, it was noted that good, or better progress had been made in all areas on the strategy, when judged against the planned timescales and outcomes.

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Trustees' Report (continued)

Achievements & performance

There are six academies within the Ironstone Academy Trust. OFSTED judgements show that five are graded Good and the sixth is Outstanding. One school was inspected in this reporting year, receiving a grade 2.

Safeguarding at each academy is effective.

School	Have unannounced and planned visits taken place, remedial actions taken when required?	Is safeguarding judged as effective?
Normanby	Yes	Yes
Nunthorpe	Yes	Yes
Ormesby	Yes	Yes
Overfields	Yes	Yes
Riverdale	Yes	Yes
Zetland	Yes	Yes

At a time where teacher recruitment is challenging, the Trust has recruited two experienced staff to Head of School positions and appointed an existing Head, as Executive leader, ensuring that at each academy, the Senior Leaders are led by an experienced colleague.

Academic Performance

Early Years Performance

EYFS GLD
%PP 21%
%SEN 14%
% achieving GLD 71%

Phonics Performance

Yr 1 Phonics
%PP 27%
%SEN 15%
% achieving standard 90%

Multiplication Check Performance

Yr 4
%PP 36%
%SEN 19%
Average Score 20.9

Key Stage 2 Performance

Yr 6
%PP 38%
%SEN 22%

RWM Combined 66%
Reading 66%
Writing 78%
Maths 75%
GPS 71%

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Trustees' Report (continued)

The number of pupils classed as disadvantaged in the trust is 405. The number of children with an identified special educational need is 230.

Children are individually assessed when they start with us. In Foundation Stage analysis suggests that pupils join us with a range of experiences; pupil attainment on entry is generally somewhat below the national expectation at this starting point.

Mindful of its diverse catchment area the trust has always maintained good levels of attendance as a key performance indicator which individual academies must report on. Additionally, the trust has continued to employ an attendance officer to ensure that accurate records are kept of attendance meetings, and when required the appropriate paperwork can be completed prior to legal proceedings. Each Academy also takes on supportive work with parents to facilitate good attendance. When children have planned or frequent absences due to medical conditions, care is taken to ensure their academic progress is not unduly jeopardised.

Number of Schools	6
Number on Roll July 2024	1663
Attendance	
Student attendance, Academic Year September 2023 - July 2024	93.4%
Student persistent absence, Academic Year September 2023 - July 2024	21.33%
Student authorised absence, Academic Year September 2023 - July 2024	3.86%
Student unauthorised absence, Academic Year September 2023 - July 2024	2.70%
Exclusion	
Fixed period suspension: no of pupils and total days learning missed	21 pupils across 47 suspensions consisting of 95.5 days learning missed
Suspensions have happened at five schools, Normanby, Ormesby, Overfields, Riverdale and Zetland.	

The Trust Risk Register was reviewed regularly through this reporting period, including with Trustees. Risks include those relating to estates safety and management.

A new risk was identified within the Trust estate; Reinforced Autoclaved Airated Concrete (RAAC). The Trust commissioned an independent company to assess each building, reporting on condition and the materials used in construction. This was used to inform individual risk assessment.

The Trust had already begun work to improve the wider estate, firstly through work to minimize the environmental impact of each school. Targeted funding was used to ensure each school's level of energy efficiency was improved. Furthermore, surveys were completed, allowing the Trustees to work with schools so as to ensure the trust's estate is increasingly energy efficient.

Each school continued to hold its own bespoke Risk Register. These documents are reviewed on a termly basis by the Local Governing Body, relevant concerns are then shared with Trustees.

A standard pupil risk assessment tool is maintained by the Trust and used by all schools. This ensures staff can prioritise their response to individual pupil needs when they are identified.

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Trustees' Report (continued)

Parents and carers have once again been kept well informed through regular newsletters, and through the school websites. School and Trust websites have all been renewed. 'Parents Evenings' are provided in a range of formats, including virtual.

The trust's planned governance and control arrangements have been kept under review. All governance meetings have been delivered with an independent clerk. The Trust uses a range of virtual and face-to-face meetings. The Trust uses a secure portal which means that information is communicated quickly to those involved in governance. This mix of remote and face-to-face working, is permitted within our financial handbook.

The trust had previously established contingency arrangements should key staff be absent. These are kept under review. As a result, whilst staffing levels fluctuated during the year, the performance of core functions has not been disrupted.

Whenever our trust reviews its financial operations it pays due attention to the principles of effective financial control and governance, including the Academies Financial Handbook: this process of review and consolidation of procedures is ongoing and based on risks to the Trust that are identified through monitoring. This ensures that decisions made in this reporting period were both timely and made with due regard for the financial propriety. Central to this, was the decision to appoint a qualified Chartered Certified Accountant, as CFOO; the appointee is also an SRMA.

When needed, additional meetings are arranged alongside those which had already been planned within the annual calendar. These included opportunities for the trustees and local governing body members to question the CEO on the arrangements for the management of the trust in the popular Trust Forum. Additionally, Link Trustees are now able to spend time in individual academies, so they better understand their concerns and successes.

In each academy, meetings for parents and carers address a range of issues including bullying, ESafety, the curriculum and Personal Health, Sex and Relationships education. The Trust has an agreed Relationships Education Policy and Scheme of work, that applies to all schools.

The Trust employs a Safeguarding Officer and Counselling services, ensuring pupils all receive timely access to the support they need.

Other elements of the Trust's provision are also outstanding or good. This judgement is supported by each school's self-evaluation and numerous external awards achieved by individual schools: Green Flag, International School, Leading School ICT, Rights Respecting School Award, Healthy Schools, Global Learning Lead School, Leading Parent Partnership. In particular, the provision for music and sports are both strong. There is a wide range of sporting activities both in and out of the school day. Numerous activities support the children's participation in a wider curriculum. These include events organised so the pupils from Trust schools work with each other, including their school councilors.

An External Review of Governance took place in the summer of 2023. The Trust has successfully implemented the recommendations to further improve its Governance arrangements.

Financial Management and Governance are both strong, ensuring excellent educational value for money and a safe learning environment. This is monitored by regular benchmarking and reporting of KPIs, that are agreed across all schools. Governors meet termly with teachers and teaching assistants gaining a clear understanding of standards in school and the actions being taken to secure future success.

Historically, the trust has evidence of partnerships for improvement with other schools and agencies involving staff at all levels in system leadership; one Head Teacher is a National Leader of Education and has previously worked as an OfSTED Additional Inspector and NLE (National Leaders of Education). There are 6 SLEs (Specialist Leader in Education) within the Trust all of whom work supportively with other schools. Our academies are all involved in training new teachers and have excellent employment rates amongst the staff they have trained; we have registered to become a teacher training provider in 2024.

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Trustees' Report (continued)

The EYFS (Early Years Foundation Stage), Y1 Phonics Check and Key Stage 1 moderation assessments in 2023 supported our accurate judgements. Key Stage moderation in 2024 was also undertaken with other Primary and Secondary Schools/Academies and assessments agreed through a process of mutual challenge. The Trust has an established assessment timetable that supports this process and minimises staff workload through reducing unnecessary burdens.

Peer Reviews and Quality Assurance Visits support the schools in ensuring that their self-evaluation is accurate.

The Summary and Full Self Evaluation Documents have been updated by each Head Teacher and shared with staff and their Local Governing Bodies on a termly basis. The Trust has a set format for these documents, to support the work of Trustees.

A Raising Achievement Board, held twice each academic year, supports the CEO in holding each Head Teacher to account and ensuring accurate information is shared with Trustees. The agendas of meetings have evolved to respond to the challenges facing the Trust now.

Evaluation

Attainment data represents different levels of success in our boys and disadvantaged pupils 'catching up' reflecting historical differences in attainment across school for both groups in our localities. The strong inspection reports produced to date this year reflect the strong leadership within the Trust, with the school where leadership was previously shown to be ineffective receiving bespoke support.

Whilst the longer-term impact of austerity, Brexit and the Covid-19 pandemic on our community is now clearer, the benefit of the immediate plans that were put in place to support all pupils within the Trust has been evidenced.

Going concern

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

FINANCIAL REVIEW

The financial results of Ironstone Academy Trust are detailed in the following pages. It is considered that the finances are sound and well established. The principal financial management policies adopted are laid down in the Academies Financial Handbook published by the ESFA (Education and Skills Funding Agency).

The principal funding source is GAG income from the ESFA. All expenditure of the GAG income is planned to fulfil the objectives and strategies of the Trust.

During the year ended 31 August 2024 the trust had total income of £10,862,000 (2023: £10,390,000) over the six schools. Total resources expended were £11,085,000 (2023: £11,030,000) leading to net expenditure being £223,000 (2023: £640,000) prior to the pension scheme gain of £nil (2023: £300,000). An in-year deficit of £168,000 (2023: £231,000) results in actual reserves of £1,040,000 (2023: £1,208,000) (restricted general funds plus unrestricted funds).

On 31 August 2024 the net book value of the fixed assets was £9,444,000 (2023: £9,538,000). The assets were used exclusively for providing the education and associated support services to the pupils of Ironstone Academy Trust. The balance on the fixed asset fund was £9,483,000 which includes unspent Devolved Formula Capital Funding of £39,000.

The LGPS (Local Government Pension Scheme) continues to show an asset. This has not been recognised in the accounts, so is showing as nil. (2023: £nil), and the trust's balance sheet remains strong with total net assets of £10,523,000 (2023: £10,746,000).

Trustees' Report (continued)

Reserves policy

The Trustees monitor the level of reserves of the Trust throughout the year. When the trust reviews its reserves policy annually, this encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees have determined that the appropriate level of centrally held free reserves should be least £200,000. A portion of these reserves is invested so as to secure a return on the capital. The current centrally held free reserve is £179,000. The trust has made use of its reserves to meet its aims. This reserve was created by payments made by individual schools to mitigate the risk of payments not being received from central government in time to make salary payments to employees of the trust. Deductions of said salaries would hopefully be able to be made providing payments were received within the timescale for paying of deductions. The remainder of the unrestricted and general reserves across the IAT schools are to enable each school to present a balanced budget as funding becomes more challenging and to keep staffing levels as they are. The balance on restricted general funds and unrestricted funds is £1,040,000 (2023: £1,208,000).

The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

The balance on the restricted fixed asset fund is £9,483,000 (2023: £9,538,000), which represents the net book value assets transferred from the local authority, unspent capital funding and assets purchased out of restricted funds. The pension deficit stands at £nil (2023: £nil), further details are in note 22.

The Trustees set guidance for a minima and maxima for reserves in each school. Where a school wishes to vary from this a costed business plan must be produced and approved.

Guidance on reserves is shared with each school annually.

Principal risks and uncertainties

The Trustees have considered the major risks and uncertainties facing the academy trust which include changes in legislation, regulation and cash flow management and have put in place procedures to deal with these matters; there are three areas of risk that the Trustees have currently highlighted.

Firstly, within the wider Teesside area there are a number of challenges developing. The overwhelming majority of schools are now planning to manage their activities and finances in an environment where pupil numbers are decreasing. This is an issue that the Trust have considered, and guidance is being given to all academies, regarding the prudent management of finances during such a period of change. Further financial pressure was generated by pay awards that are not fully funded. Additionally, there is a reduction in the wider support available to families, meaning that the Trust is having to offer deeper support to families in respect of social or safeguarding need and the provision of Local Authority SEND (Special Educational Needs and Disability) support falls below the level required.

Currently the Government allocates a sum of money to each academy that is entitled Devolved Capital; typically, this is in the range of £6-7K. The Trust is aware of its responsibilities for Estates Management. The funding it receives for Capital works is below that required to address all the issues present within the Trust estate. Therefore, the Trustees have worked with each school, to ensure the maximum impact is gained for all expenditure.

The third area of risk that Trustees have reviewed concerns the pay levels offered for contracts within the education sector. These are now, for some job roles below those of other jobs in the local community. The Trust faces a risk that experienced staff may leave for better paid employment elsewhere, or that potential staff may not be attracted to work in the education sector.

Investment policy

The Trust holds all its surplus funds as cash, or in an easy access investment fund, to ensure it has sufficient liquid resources to meet its day-to-day needs. The Trustees will keep this under review and will seek to ensure that returns on investments made in the future are maximized whilst still maintaining liquidity.

Fundraising

Fundraising throughout the trust operates at a local level. Each school has a PTA which has its own constitution. Head Teachers work with this group to identify projects in school to be funded by the group.

Trustees' Report (continued)

PLANS FOR FUTURE PERIODS

Ironstone Academy Trust business plan:

Staff and Trustees have created the Ironstone Academy Trust Strategy to address the priorities for development within the Trust. It is reviewed on a 100 day cycle, with termly reports to LGBs supporting this. Its impact is shared via the CEO's reports to Trustees and Head Teacher Board Meetings.

The Trust will strengthen its self-review processes:

Further engagement with schools through Quality Assurance visits and the established and successful Peer Review Programme will allow Ironstone Academy Trust to benefit from close working between its academies, quickly sharing good practice amongst staff. Further training will be given to middle leaders in each academy as identified by school self-evaluation. Updated formats for Head Teacher reporting and Strategy Monitoring, including a resultant Risk Assessment, will strengthen the Trustees' position.

Closing attainment gaps:

Gaps in attainment will be closed for groups identified within cohorts through Performance Management. Performance Management systems will again be operated in parallel across the Trust. This will continue including using the Pupil Premium Funding allocated to schools.

Standards achieved by all pupils are raised through continual measuring of impact of focused support and the targeted use of good and better teaching.

Developing the School sites:

Schools will seek CIF (Condition Improvement Fund) funding to develop their respective sites, based on the condition survey and the availability of funds. The Trust will again investigate 'low carbon' funding initiatives.

Governance and sustainability:

The Trust will continue to develop partnerships working with other schools, including the possible expansion of the Trust. The Trust has continued to work with one school who it's previously worked with. They continue to consider their position.

AUDITOR

Insofar as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware, and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

Trustees' report, incorporating a strategic report, was approved by order of the board of Trustees, as the company directors, on 12 December 2024 and signed on the board's behalf by:


.....
Stephen Elliott Chair

Ironstone Academy Trust
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Governance Statement

Scope of Responsibility

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

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

As Trustees we have reviewed and taken into account the guidance in DfE's Governance Handbook and Competency Framework for Governance.

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 7 times during the year. In addition to the planned three meetings, there have been virtual meetings of the Trust Governance Forum throughout the year. Attendance during the year at meetings of the Board of Trustees were as follows:

Trustee	Meetings attended	Out of a possible
Stephen Elliott	3	3
Lesley Addison	1	3
David Atkin	2	3
Peter Robinson	2	3
Richard Carter	2	3
Karen Deen	2	3
Carl Faulkner	3	3
Darren Holmes	2	3
Theresa Smith	3	3

The Trustees judge that they are working effectively because there is clear evidence that, in several areas, the outcomes for young people who are educated within the IAT (Ironstone Academy Trust) are close to previous performance- prior to the disruption caused to learning by the pandemic- and national expectations. There is a well communicated strategic vision, recorded in the Trust Strategy. The school's own improvement plans are delivered through support from the Trust and directly linked to the Trust Strategy.

The Trustees have defined their own KPI's and receive these on a termly basis. KPIs (Key Performance Indicators) are benchmarked against national data.

The CEO held strategic financial reviews with each Head Teacher in the spring term and consultation meetings within the Autumn Term, that inform medium and long-term financial planning.

Governance Statement

Conflicts of Interest

The Ironstone Academy Trustees can make effective decisions, because of the range of experiences and interests that they hold. Trustees' follow a number of processes which limit risk. These processes are also followed by members and local governors.

The declaration of conflicts of interest is an agenda item at the start of each meeting. An up-to-date and complete register of interests is maintained by the professional clerk. The register identifies:

- the relevant business and pecuniary interests of members, trustees, local governors and senior employees; and
- the relevant material interests from close family relationships between members, trustees or local governors and between those individuals and employees.

The trust's website includes the relevant business and pecuniary interests of their members, trustees, local governors and accounting officer.

The trust requires anyone involved in Governance who has, or can have, a conflict of interest to disclose that fact, as soon as they become aware of it. Prospective trustees would also be asked about potential conflicts of interest to identify any serious or frequent conflicts that would question their appointment.

If it had been required Trustees are aware that they must consider any conflict of interest to prevent any potential effect on their decision making in the best interests of the trust.

In more serious cases, including high risk decisions or inappropriate trustee benefit, the CEO and Clerk understand that they would advise that the trustees should consider removing the conflict by:

- not pursuing the course of action;
- proceeding in a different way (e.g. not using the trustee or their company);
- securing the resignation or removal a trustee; or
- not appointing a trustee.

Additionally, the Trust are aware that they should seek professional advice in circumstances where there could be a conflict of interest that could weaken the ability of the trustees to make a decision.

The Clerk to the trustees is aware they should also maintain a written record of any conflicts of interest showing:

- the nature of the conflict;
- which trustee or trustees was/were affected;
- whether any conflicts of interest were declared in advance;
- an outline of the discussion;
- whether anyone withdrew from the discussion; and
- how the trustees took the decision in the best interests of the trust.

Governance Statement

Governance Review

- Skills audits are completed by LGB (Local Governing Bodies) and Trustees annually. Training is offered to all on a regular basis via Redcar and Cleveland Governor support where gaps are identified.
- Self-evaluation is timetabled for each Local Governing Body and for the Trustees.
- The LGB of each school reviews its annual Improvement Plan annually. HTs report on actions that are complete or outstanding.

Improvement Plans are written annually by each academy. The major issues dealt with this year were;

- A School Improvement strategy has been agreed which allows the Trustees to monitor the different levels of risk in the different schools.
- The Trustees have made suitable arrangements so that an absence of the CEO does not have an unnecessary negative impact on the trust. The Trustees have appointed a Deputy CEO.

The Finance Audit and General Purposes Committee is a sub-committee of the main Board of Trustees. Its purpose is to:-

- Approve, allocate and monitor resources.
- To ensure Performance Management is completed.
- To review all relevant statutory policies as detailed on the Policy Review schedule.
- To consider and prioritise future developments relating to the building/premises.

Attendance at meetings in the year was as follows: -

Trustee	Meetings attended	Out of a possible
Stephen Elliott	3	3
Richard Carter	3	3
Peter Robinson	3	3
Carl Faulkner	3	3

Trustees have ensured that the CEO and Schools are held to account.

Alert to their responsibilities for the Trust Estate, the Trustees ensured that detailed building surveys were completed this year. This ensures they have a secure understanding of their liabilities.

At each meeting of the Trustees, the Trust Risk Register is updated. Risks identified by schools, the CEO or Trustees are examined and carefully considered. The Risk Register therefore is a useful tool for the Trust and supports strategic planning.

The Trustees considered the Finance & BM (Business Management) role and how this could be supported by the school finance managers. The Trust added capacity to the central team for 2024 onwards, through appointment of a qualified CFOO, to support the efficient and effective delivery of services. Where risks have been identified by internal or external audit, the Trust has amended its procedures. These changes are supported by monthly training for school business managers. Throughout this process, the Trustees worked with the CEO to review how support could be offered to all schools at a level of cost that was sustainable for the trust. Monthly monitoring helps ensure compliance.

The Trustees sought advice when investing a proportion of the Trusts reserves. Sufficient cash reserves are maintained whilst ensuring there is now a small return on one portion of the Trusts financial assets.

The Curriculum Standards and Pupil Welfare Committee is also a sub-committee of the main Board of Trustees. Its purpose is to:

- Monitor and evaluate pupil progress using tracking systems and pupil observations.
- To contribute to, monitor and evaluate the School's Self Evaluation.

Ironstone Academy Trust
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Governance Statement (continued)

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
David Atkin	3	3
Karen Deen	0	3
Carl Faulkner	3	3
Lesley Addison	2	3
Theresa Smith	0	3

Mindful of the impact that low attendance has on pupil attainment the Trustees monitor pupil attendance carefully. Schools are supported by the Trust Attendance Officer in delivering this aspect of their work.

The Trustees ensured that School Improvement Plans were set, that contributed to the Trusts Strategic Priorities.

Trustees ensured that a new system of Safeguarding Quality Assurance was put in place this academic year, with regular monitoring reports provided to the Head teacher and Chair of the Local Governing Body.

New phonics schemes had been introduced in three schools, the impact of these was monitored with care. Trustees ensured that each school provided sufficient resources and training for successful implementation; as a result, positive outcomes were noted.

It was decided that the trust would again seek to build on existing networks and provide further opportunities for staff to work collaboratively. Trustees received a report on the impact of our Teaching and Learning Leads in their Summer Term Meeting. This highly effective work is supported by a network of curriculum leads that provide a critical link to each school.

Review of value for money

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

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

- The Trust internal resilience has been strengthened by the appointment of a Deputy CEO and CFOO
- The capacity to support schools has been increased through the appointment of School Improvement Officer
- Introducing simplified safeguarding management systems, saving each safeguarding lead, or their deputy several hours a week of administration
- Securing a discount on services from the school leaders providing our external performance management reviews
- Maintaining a clear report format for Head Teachers to use, so that Local Governing Bodies have a clear report that shows compliance and areas of risk. This is used to provide consolidated reports to Trustees.
- Securing a discount on services from the company providing our IT support
- Continuing to ensure the trust schools Local Governing Bodies share a Clerk, so that meetings and policy developments can be efficiently delivered in all schools.
- The CEO has again arranged for the trust to receive a combined data analysis package at no charge from the data analyst team that service the schools.
- The Trustees have worked with the CEO to renew their school improvement strategy and shared this with each Local Governing Body.
- The Trustees have reviewed the arrangements for Performance Management in 2024. They wished to ensure they had an independent insight into the performance of the CEO, this has been successfully brokered by the Trustees.
- Reducing staff workload by introducing a simplified reporting system for school improvement groups.

Governance Statement (continued)

However, the Board of Trustees recognises that the cheapest price is not always the best option, and all changes are fully evaluated taking into consideration the service provided and track record.

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 ongoing process designed to identify and priorities the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Ironstone Academy Trust for the year 1 September 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ended 31 August 2024 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

The academy trust's system of internal 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. It includes: -

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees considered the need for a specific internal audit function and has appointed Veritau as internal auditors in accordance with the requirement as set out in the 2023 edition of the Academies Financial Handbook.

The reviewer's role includes giving advice on financial and other matters and performing a range of checks on the academy trust's financial and other systems. The checks carried out in the current year included: -

Purchasing and Procurement

- testing of procurement policies and procedures are in place and any purchasing is carried out in line with these.
- Payments made to suppliers are appropriate, prompt and in line with authorisation limits.
- Correct documentation is sought and retained to evidence any high value expenditure.
- Procurement card use is appropriate, and payments are made in line with the Trust's policies and procedures.

Business Continuity

- There is a clear and up to date business continuity and ICT disaster recovery plan in place for all schools to minimise service disruption.
- Business impact assessments are complete and up to date, with critical functions identified and prioritised.
- Business continuity and ICT disaster recovery plans are reviewed and tested periodically and updated with lessons learnt.

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Governance Statement (continued)

On a termly basis, the academy Business Manager reports to the Board of Trustees, through the Finance & Resources Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

On an annual basis, the reviewer prepares a summary report for the committee outlining the areas reviewed, key findings, recommendations and consultations to help the committee consider actions and assess year on year progress.

The reviewer role has been fully delivered in line with the ESFA's requirements. No material control issues have arisen during the year 2023/2024.

Review of effectiveness

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


- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process (FMGS)
- the work of the Trust Finance and Business Manager including the appointment of additional hours to the role

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance Audit & General Purposes Committee and a plan to address any weaknesses and ensure continuous improvement of the system is in place.

Conclusion

Based on the advice of the audit and risk committee and the accounting officer, the board of trustees is of the opinion that the academy trust has an adequate and effective framework for governance, risk management and control.

Approved by order of the Members of the Board of Trustees on 12 December 2024 and signed on its behalf by: -



.....
Stephen Elliott
Chair



.....
Carl Faulkner
Accounting Officer

Ironstone Academy Trust
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Statement of Regularity, Propriety and Compliance

As accounting officer of Ironstone Academy Trust, I have considered my responsibility to notify the academy trust Board of Trustees and the Education & 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 Academies Financial Handbook 2023.

I confirm that I and the academy trust Board of Trustees are able to identify any material irregular or improper use of all funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2023.

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.



.....
Carl Faulkner
Accounting Officer

Date: 12 December 2024

Ironstone Academy Trust
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Statement of Trustees' Responsibilities

The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Academies Accounts Direction published by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements 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 financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024
- make judgments and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 12 December 2024 and signed on its behalf by:-



.....
Stephen Elliott
Chair

Independent Auditor's Report on the Financial Statements to the Members of Ironstone Academy Trust

Opinion

We have audited the financial statements of Ironstone Academy Trust (the 'Academy Trust') for the year ended 31 August 2024 which comprise Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*, the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2024 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Independent Auditor's Report on the Financial Statements to the Members of Ironstone Academy Trust

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 strategic report and the directors' report.

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

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

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement (set out on page 19) the Trustees, who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report on the Financial Statements to the Members of Ironstone Academy Trust

Auditor's responsibilities for the audit of the financial statements (continued)

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

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

Based on our understanding of the Charity we have considered applicable laws and regulations which may be fundamental to the Charity's ability to operate or to avoid a material penalty, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate manual journal entries to manipulate financial performance, management bias in significant accounting estimates and any significant one-off or unusual transactions.

We discussed among the audit engagement team the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

Audit procedures performed by the engagement team included:-

- Enquiry of management and those charged with governance around actual and potential litigation and claims.
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing internal audit reports.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.
- Challenging estimates and judgements made by management in their significant accounting estimates.
- Revenue recognition; agreeing a sample of revenue transactions to third party documentation to gain assurance over the occurrence and accuracy of revenue and also to ensure revenue has been recognised in the correct period.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent Auditor's Report on the Financial Statements to the Members of Ironstone Academy Trust

Auditor's responsibilities for the audit of the financial statements (continued)

Use of our report

This report is made solely to the academy trust'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 academy trust'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 academy trust and the academy trust's members as a body, for our audit work, for this report, or for the opinions we have formed.



Mr David Shawcross
Senior Statutory Auditor
For and on behalf of Anderson Barrowcliff Limited
Chartered Accountants
3 Kingfisher Court
Bowesfield Park
Stockton on Tees
TS18 3EX

Dated: 17th December 2024

Note:

The maintenance and integrity of Ironstone Academy Trust website is the responsibility of the trustees and work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Ironstone Academy Trust
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Independent Reporting Accountant's Assurance Report on Regularity to
Ironstone Academy Trust and the Education & Skills Funding Agency

In accordance with the terms of our engagement letter dated 17 September 2024 and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2023 to 2024, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Ironstone Academy Trust during the year ended 31 August 2024 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

Use of our report

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

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

The accounting officer is responsible, under the requirements of Ironstone Academy Trust funding agreement with the Secretary of State for Education dated 28 May 2014 and the Academies Financial Handbook extant from 1 September 2023, 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 2023 to 2024. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year to 31 August 2024 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 Trusted issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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:-

- Evaluating the systems and control environment;
- Assessing the risk of irregularity, impropriety and non-compliance;
- Ensuring that the activities of the academy trust are in keeping with the academy's framework and the charitable objectives;
- Obtaining representations from the Accounting Officer and key management personnel.

Ironstone Academy Trust
(A Company Limited by Guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to
Ironstone Academy Trust and the Education & Skills Funding Agency

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 year to 31 August 2024 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Mr David Shawcross
Reporting Accountant
Anderson Barrowcliff Limited
Statutory Auditor
Chartered Accountants
3 Kingfisher Court
Bowesfield Park
Stockton on Tees
TS18 3EX

Dated: th 17 December 2024

Ironstone Academy Trust
(A Company Limited by Guarantee)

Statement of Financial Activities
for the Year Ended 31 August 2024

(including Income and Expenditure Account)

	Note	<u>Unrestricted</u> <u>Funds</u> £'000	<u>Restricted</u> <u>General</u> <u>Funds</u> £'000	<u>Restricted</u> <u>Fixed</u> <u>Asset</u> <u>Funds</u> £'000	<u>2024</u> <u>Total</u> £'000	<u>2023</u> <u>Total</u> £'000
Income and endowments from:						
Donations and capital grants	2	6	-	174	180	154
Charitable Activities:						
Funding for the academy trust's educational operations	3	197	10,189	-	10,386	9,848
Other trading activities	4	296	-	-	296	388
Total		<u>499</u>	<u>10,189</u>	<u>174</u>	<u>10,862</u>	<u>10,390</u>
Expenditure on:						
Charitable Activities:						
Academy's trust educational operations	5	499	10,350	236	11,085	11,030
Total		<u>499</u>	<u>10,350</u>	<u>236</u>	<u>11,085</u>	<u>11,030</u>
Net income/(expenditure)		-	(161)	(62)	(223)	(640)
Transfers between funds		(168)	161	7	-	-
		<u>(168)</u>	<u>-</u>	<u>(55)</u>	<u>(223)</u>	<u>(640)</u>
Other recognised gains/(losses)						
Actuarial gains on defined benefit pension schemes	22	-	-	-	-	300
Net movement in funds		<u>(168)</u>	<u>-</u>	<u>(55)</u>	<u>(223)</u>	<u>(340)</u>
RECONCILIATION OF FUNDS						
Total funds brought forward		<u>1,208</u>	<u>-</u>	<u>9,538</u>	<u>10,746</u>	<u>11,086</u>
Total funds carried forward	14	<u>1,040</u>	<u>-</u>	<u>9,483</u>	<u>10,523</u>	<u>10,746</u>

The notes on pages 29 to 48 form part of these financial statements.

Ironstone Academy Trust
(A Company Limited by Guarantee)

Balance Sheet
As at 31 August 2024

		<u>2024</u>		<u>2023</u>	
	Note	£'000	£'000	£'000	£'000
FIXED ASSETS:					
Tangible assets	11		9,444		9,538
CURRENT ASSETS:					
Debtors	12	150		208	
Cash at bank and in hand		1,579		1,668	
		<u>1,729</u>		<u>1,876</u>	
LIABILITIES:					
Creditors - amounts falling due within one year	13	650		(668)	
NET CURRENT ASSETS					
			<u>1,079</u>		<u>1,208</u>
TOTAL ASSETS LESS CURRENT LIABILITIES/ NET ASSETS EXCLUDING PENSION LIABILITY					
			<u>10,523</u>		<u>10,746</u>
Defined benefit pension scheme liability	22		-		-
TOTAL NET ASSETS					
			<u>10,523</u>		<u>10,746</u>
FUNDS OF THE ACADEMY TRUST:					
Restricted funds					
Fixed asset funds	14		9,483		9,538
Restricted income funds	14		-		-
Pension reserve	14		-		-
Total restricted funds					
			<u>9,483</u>		<u>9,358</u>
Unrestricted income funds	14		1,040		1,208
TOTAL FUNDS					
			<u>10,523</u>		<u>10,746</u>

The financial statements on pages 26 to 48 were approved by the Trustees, and authorised for issue on 12 December 2024 and are signed on their behalf by:



.....
Stephen Elliott
Trustee

The notes on pages 29 to 48 form part of these financial statements.

Ironstone Academy Trust
(A Company Limited by Guarantee)

Statement of Cash Flows
for the Year Ended 31 August 2024

	Note	<u>2024</u> £'000	<u>2023</u> £'000
Cash flows from operating activities			
Net cash provided by operating activities	18	(121)	(198)
Cash flows from investing activities	19	<u>32</u>	<u>-</u>
Change in cash and cash equivalents in reporting period		(89)	(198)
Cash and cash equivalents at 1 September 2023		<u>1,668</u>	<u>1,866</u>
Cash and cash equivalents at 31 August 2024	20	<u><u>1,579</u></u>	<u><u>1,668</u></u>

1 STATEMENT OF 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.

Basis of preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2023 to 2024 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Going Concern

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

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 year for which it is receivable and any abatement in respect of the period deducted from income and recognised as a liability.

Capital grants are recognised in full where 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 an entitlement and are not deferred over the life of the asset on which they are expended.

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 year it is receivable and to the extent the academy trust has provided the goods or services.

1 STATEMENT OF ACCOUNTING POLICIES (continued)

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 the time spent, and depreciation charges allocated on the portion of the asset's use.

• **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. Under the VAT 126 scheme, costs are shown net of recoverable of VAT.

Tangible fixed assets

Assets costing £3,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring 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 lives, as follows:-

Long leasehold buildings	2% on cost
Long leasehold land	over period of lease (125 years)
Computer and educational equipment	33% on cost
Furniture and equipment	20% on cost

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

Leasehold fixed assets

Long leasehold land and building are leased from the local authority on a 125 year lease. The leasehold property has been included in the accounts at depreciated replacement cost.

1 STATEMENT OF ACCOUNTING POLICIES (continued)

Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as 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.

Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Leased assets

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

Financial instruments

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 12. Prepayments are not financial instruments.

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 13. 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.

Taxation

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

Pension 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.

1 STATEMENT OF ACCOUNTING POLICIES (continued)

Teachers' pension scheme

The TPS is an unfunded multi-employer scheme and contributions are calculated so as 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 on the basis of 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 recognised in the period to which they relate.

Local government pension scheme

The LGPS is a funded 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/(expenditure) are the current service costs and the costs of the 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 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 is recognised in other recognised gains and losses.

If the present value of the defined benefit obligation at the reporting date is less than the fair value of plan assets at that date, the plan has a surplus. This is recognised as a defined benefit plan asset only to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan. As this is not likely to be the case, the surplus has not been recognised in the accounts and a nil liability has been disclosed.

Actuarial gains and losses are recognised immediately in other gains and losses.

Fund accounting

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the ESFA and DfE.

Ironstone Academy Trust
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Notes to the Financial Statements
for the Year Ended 31 August 2024

1 STATEMENT OF ACCOUNTING POLICIES (continued)

Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under 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 and related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2024. Any differences between the figures derived from the roll forward approach and a full actuarial value would impact on the carrying amount of the pension liability.

Land and buildings inherited on conversion are included in the financial statements at depreciated replacement cost. This estimate is provided by the ESFA in the desktop valuation.

2 DONATIONS AND CAPITAL GRANTS

	<u>Unrestricted</u> <u>Funds</u> <u>£'000</u>	<u>Restricted</u> <u>Funds</u> <u>£'000</u>	<u>Total</u> <u>2024</u> <u>£'000</u>	<u>Total</u> <u>2023</u> <u>£'000</u>
Capital grants	-	174	174	140
Other donations	6	-	6	14
	<u>6</u>	<u>174</u>	<u>180</u>	<u>154</u>

In 2023 £14,000 of donations were unrestricted and £140,000 were restricted.

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Notes to the Financial Statements
for the Year Ended 31 August 2024

3 FUNDING FOR THE ACADEMY TRUSTS EDUCATIONAL OPERATIONS

	<u>Unrestricted</u> <u>Funds</u> <u>£'000</u>	<u>Restricted</u> <u>Funds</u> <u>£'000</u>	<u>Total</u> <u>2024</u> <u>£'000</u>	<u>Total</u> <u>2023</u> <u>£'000</u>
DfE/ESFA grants				
General Annual Grant (GAG)	-	7,280	7,280	7,034
Other DfE/ESFA grants				
UIFSM	-	203	203	202
Pupil premium	-	698	698	679
Other DfE Group Grants	-	566	566	559
Sports Premium Grant	-	109	109	109
	-	8,856	8,856	8,583
Other government grants				
Local Authority Grants	-	1,214	1,214	993
	-	1,214	1,214	993
Other income from the academy trust's educational operations				
School Trip income	-	119	119	95
Catering income	109	-	109	103
Other	88	-	88	74
	197	119	316	272
	197	10,189	10,386	9,848

In 2023 £177,000 of funding for educational operations was unrestricted and £9,671,000 were restricted.

4 OTHER TRADING ACTIVITIES

	<u>Unrestricted</u> <u>£'000</u>	<u>Restricted</u> <u>£'000</u>	<u>Total</u> <u>2024</u> <u>£'000</u>	<u>Total</u> <u>2023 (all</u> <u>unrestricted)</u> <u>£'000</u>
School Clubs	118	-	118	121
Technology income	35	-	35	32
Staff recharge and university student income	65	-	65	129
Other income	78	-	78	106
	296	-	296	388

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Notes to the Financial Statements
for the Year Ended 31 August 2024

5 EXPENDITURE

	<u>Staff</u>	<u>Non Pay Expenditure</u>		<u>Total</u>	<u>Total</u>
	<u>Costs</u>	<u>Premises</u>	<u>Other</u>	<u>2024</u>	<u>2023</u>
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Academy's educational operations					
- Direct costs	5,791	-	595	6,386	6,141
- Allocated support costs	2,731	669	1,299	4,699	4,889
	<u>8,522</u>	<u>669</u>	<u>1,894</u>	<u>11,085</u>	<u>11,030</u>

In 2023 £373,000 of the expenditure was unrestricted, and £10,657,000 was restricted.

	<u>2024</u>	<u>2023</u>
	<u>£'000</u>	<u>£'000</u>
Net (expenditure)/income for the period includes:		
Operating leases rentals	51	53
Depreciation	235	243
Fees payable to auditor - audit	21	20
- other services	6	5
	<u>293</u>	<u>321</u>

6 CHARITABLE ACTIVITIES

	<u>2024</u>	<u>2023</u>
	<u>£'000</u>	<u>£'000</u>
Direct costs – educational operations	6,386	6,141
Support costs – educational operations	4,699	4,889
	<u>11,085</u>	<u>11,030</u>
Analysis of support costs		
Support staff costs	2,731	2,786
Depreciation	235	243
Technology costs	99	112
Premises costs	669	798
Catering	516	470
Travel and trips	136	110
Other support costs	109	143
Legal costs – other	31	58
Governance costs	173	169
Total support costs	<u>4,699</u>	<u>4,889</u>

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Notes to the Financial Statements
for the Year Ended 31 August 2024

7 STAFF

	<u>2024</u>	<u>2023</u>
	£'000	£'000
(a) Staff costs during the year were:		
Wages and salaries	6,204	6,054
Social security costs	595	559
Pension costs	1,388	1,423
	8,187	8,036
Agency staff costs	327	279
Staff restructuring costs– pay in lieu of notice	9	-
	8,522	8,315

(b) **Staff numbers**

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

	<u>2024</u>	<u>2023</u>
	No	No
Teachers	77	82
Administration and support	150	170
Management	24	17
	251	269

(c) **Higher paid staff**

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

	<u>2024</u>	<u>2023</u>
		No
£60,001 - £70,000	2	1
£70,001 - £80,000	3	5
£80,001 - £90,000	2	-
£90,001 - £100,000	1	1
	1	1

(d) **Key management personnel**

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total employee benefits (including employer pension contributions and national insurance contributions) received by key management personnel for their services to the academy trust was £1,008,195 (2023: £813,356).

Ironstone Academy Trust
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Notes to the Financial Statements
for the Year Ended 31 August 2024

8 CENTRAL SERVICES

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

- human resources
- financial services
- legal services
- educational support services

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

The actual amounts charged during the year were as follows:

	<u>2024</u>	<u>2023</u>
	£'000	£'000
Normanby Primary	208	142
Nunthorpe Primary	102	87
Ormesby Primary	164	115
Riverdale Primary	110	84
Overfields Primary	99	79
Zetland Primary	130	90
	<hr/>	<hr/>
	813	597
	<hr/> <hr/>	<hr/> <hr/>

9 RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES

One trustee has been paid remuneration or has received other benefits from an employment with the academy trust. The Head Teacher only receives remuneration in respect of services that he provides undertaking the role of Head Teacher under his contract of employment.

The value of the trustees' remuneration was as follows:-

C Faulkner (CEO)

Remuneration £90,000 - £95,000 (2023 £90,000 - £95,000)

Employers' Pension Contributions £15,000 - £20,000 (2023: £15,000 - £20,000)

During the year ended 31 August 2024 no travel and subsistence expenses were reimbursed (2023: £Nil).

No other related party transactions occurred in the year.

10 TRUSTEES' AND OFFICERS' INSURANCE

The academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business, and provides cover up to £10,000,000. It is not possible to quantify the trustees' and officers' indemnity element from the overall cost of the RPA scheme membership.

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Notes to the Financial Statements
for the Year Ended 31 August 2024

11 TANGIBLE FIXED ASSETS

	<u>Long Leasehold Land & Buildings £'000</u>	<u>Furniture & Equipment £'000</u>	<u>Computer & Educational Equipment £'000</u>	<u>Total £'000</u>
COST:				
As at 1 September 2023	12,386	267	162	12,815
Additions	132	6	3	141
Disposals	-	-	(3)	(3)
At 31 August 2024	<u><u>12,518</u></u>	<u><u>273</u></u>	<u><u>162</u></u>	<u><u>12,953</u></u>
DEPRECIATION:				
As at 1 September 2023	2,902	247	128	3,277
Charge in year	210	8	17	235
Eliminated on disposal	-	-	(3)	(3)
At 31 August 2024	<u><u>3,112</u></u>	<u><u>255</u></u>	<u><u>142</u></u>	<u><u>3,509</u></u>
NET BOOK VALUE:				
At 31 August 2024	<u><u>9,406</u></u>	<u><u>18</u></u>	<u><u>20</u></u>	<u><u>9,444</u></u>
At 31 August 2023	<u><u>9,484</u></u>	<u><u>20</u></u>	<u><u>34</u></u>	<u><u>9,538</u></u>

12 DEBTORS

	<u>2024 £'000</u>	<u>2023 £'000</u>
Trade debtors	3	20
Prepayments and accrued income	140	124
VAT recoverable	7	64
	<u><u>150</u></u>	<u><u>208</u></u>

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Notes to the Financial Statements
for the Year Ended 31 August 2024

13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2024</u>	<u>2023</u>
	£'000	£'000
Trade creditors	91	61
Other taxation and social security	121	117
Other creditors	168	143
Accruals	122	202
Deferred income	140	145
Salix Loan	8	-
	650	668
	650	668
Deferred Income		
Deferred income at 1 September 2023	145	153
Released from previous year	(145)	(153)
Resources deferred in the year	140	145
	140	145
	140	145
Deferred Income at 31 August 2024	140	145

Deferred income is made up of universal free school meals and rates relief received in advance of the 2024/25 school year.

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Notes to the Financial Statements
for the Year Ended 31 August 2024

14 FUNDS

	Balance at 1 September 2023 £'000	Income £'000	Expenditure £'000	Gains/ losses and transfers £'000	Balance at 31 August 2024 £'000
Restricted General Fund					
General Annual Grant	-	7,280	(7,441)	161	-
Other DfE Group Grants	-	566	(566)	-	-
Pupil Premium	-	698	(698)	-	-
Local Authority	-	1,214	(1,214)	-	-
School Trip Income	-	119	(119)	-	-
Universal infant free school meals	-	203	(203)	-	-
Sport Premium	-	109	(109)	-	-
Teachers pay grant	-	-	-	-	-
	-	10,189	(10,350)	161	-
Restricted general funds excluding pension					
Pension reserve	-	-	-	-	-
Total restricted general fund	-	10,189	(10,350)	161	-
Restricted Fixed Asset Fund					
Transfer on conversion	8,762	-	(190)	-	8,572
DfE Group capital grants and GAG	776	64	(46)	7	801
Other capital grants	-	110	-	-	110
	9,538	174	(236)	7	9,483
Total Restricted Funds	9,538	10,363	(10,586)	168	9,483
Total Unrestricted Funds	1,208	499	(499)	(168)	1,040
Total Funds	10,746	10,862	(11,085)	-	10,523

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 2024.

Other DfE group and government grants include Capital grants, teachers' pay grant, recovery premium, supplementary grants, mainstream school additional grant plus other immaterial amounts.

Pupil premium grant is received to raise the attainment of disadvantaged pupils of all abilities and to close the gap between them and their peers.

The Local Authority funds were received for spending for Early Years and Special Educational Needs.

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Notes to the Financial Statements
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14 FUNDS (continued)

School trip income was received from parents/carers to cover the cost of children's educational visits.

Sports premium grant was provided to assist with the costs of providing PE.

UFSM income was provided to cover the cost of free school meals for infant children and those who have an entitlement due to circumstances.

The pension reserve represents the deficit of the LGPS.

Restricted fixed assets were funded by government grants or transferred from the local authority.

The transfer between funds relates to an overspend of GAG financed from unrestricted funds.

Funds per academy

	<u>2024</u>	<u>2023</u>
	£'000	£'000
Normanby Primary	177	295
Nunthorpe Primary	95	140
Ormesby Primary	136	137
Riverdale Primary	195	146
Zetland Primary	70	78
Overfields Primary	188	216
Central Services	179	196
	<hr/>	<hr/>
Restricted Fixed Asset Fund	1,040	1,208
Pension Reserve	9,483	9,538
	<hr/>	<hr/>
	10,523	10,746
	<hr/> <hr/>	<hr/> <hr/>

Ironstone Academy Trust
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Notes to the Financial Statements
for the Year Ended 31 August 2024

14 FUNDS (continued)

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

	<u>Balance at 1</u> <u>September</u> <u>2022</u> £'000	<u>Income</u> £'000	<u>Expenditure</u> £'000	<u>Gains/</u> <u>losses and</u> <u>transfers</u> £'000	<u>Balance at</u> <u>31 August</u> <u>2023</u> £'000
Restricted General Fund					
General Annual Grant	278	7,034	(7,471)	159	-
Other DfE Group Grants	-	654	(654)	-	-
Pupil Premium	-	679	(679)	-	-
Local Authority	-	1,024	(1,024)	-	-
School Trip Income	-	95	(95)	-	-
UIFSM	-	202	(202)	-	-
Sport Premium	-	109	(109)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted general funds excluding pension	278	9,797	(10,234)	159	-
Pension reserve	(117)	-	(183)	300	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total restricted general fund	161	9,797	(10,417)	459	-
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Restricted Fixed Asset Fund					
Transfer on conversion	8,953	-	(191)	-	8,762
DfE Group capital grants and GAG	811	14	(49)	-	776
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	9,764	14	(240)	-	9,538
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Total Restricted Funds	9,925	9,811	(10,657)	459	9,538
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Total Unrestricted Funds	1,161	579	(373)	(159)	1,208
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Total Funds	11,086	10,390	(11,030)	300	10,746
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Ironstone Academy Trust
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Notes to the Financial Statements
for the Year Ended 31 August 2024

14 FUNDS (continued)

Total cost analysis by academy

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

	<u>Teaching & educational support staff costs</u> £'000	<u>Other support staff costs</u> £'000	<u>Educational supplies</u> £'000	<u>Other costs (excluding depreciation)</u> £'000	<u>Total 2024</u> £'000	<u>Total 2023</u> £'000
Normanby Primary	1,572	665	165	435	2,837	2,825
Nunthorpe Primary	798	357	48	222	1,425	1,313
Ormesby Primary	1,020	401	187	132	1,740	1,866
Riverdale Primary	627	294	51	176	1,148	1,134
Zetland Primary	653	417	46	205	1,321	1,348
Overfields Primary	978	395	153	140	1,666	1,589
Central Services	143	202	120	247	712	627
	<u>5,791</u>	<u>2,731</u>	<u>770</u>	<u>1,557</u>	<u>10,849</u>	<u>10,705</u>

15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2024 are represented by:-

	<u>Unrestricted Funds</u> £'000	<u>Restricted General Funds</u> £'000	<u>Fixed Asset Funds</u> £'000	<u>2024 Total Funds</u> £'000
Tangible fixed assets	-	-	9,444	9,444
Current assets	1,040	650	39	1,729
Current liabilities	-	(650)	-	(650)
	<u>964</u>	<u>-</u>	<u>9,483</u>	<u>10,523</u>

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

	<u>Unrestricted Funds</u> £'000	<u>Restricted General Funds</u> £'000	<u>Fixed Asset Funds</u> £'000	<u>2023 Total Funds</u> £'000
Tangible fixed assets	-	-	9,538	9,538
Current assets	1,208	668	-	1,876
Current liabilities	-	(668)	-	(668)
Pension scheme liability	-	-	-	-
	<u>1,208</u>	<u>-</u>	<u>9,538</u>	<u>10,746</u>

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Notes to the Financial Statements
for the Year Ended 31 August 2024

16	CAPITAL COMMITMENTS	2024	2023
		£'000	£'000
	Contracted for, but not provided in the financial statements	-	118
		<u> </u>	<u> </u>
17	COMMITMENTS UNDER OPERATING LEASES		
	Operating leases		
	At 31 August 2024 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:		
		2024	2023
		Total	Total
		£'000	£'000
	Amounts within one year	27	48
	Amounts within two to five years	18	8
		<u> </u>	<u> </u>
		45	56
		<u> </u>	<u> </u>
18	RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES		
		2024	2023
		£'000	£'000
	Net (expenditures / income for the reporting period (as per the statement of financial activities))	(223)	(640)
	Adjusted for:		
	Depreciation (note 11)	235	240
	Capital grants from DfE group	(64)	(14)
	Other capital grants	(109)	-
	Defined benefit pension scheme finance costs (note 22)	-	8
	Defined benefit pension scheme cost less contributions payable (note 22)	-	175
	(Increase)/decrease in debtors	58	43
	Increase/(decrease) in creditors	(18)	(10)
		<u> </u>	<u> </u>
	Net cash provided by/(used in) operating activities	(121)	(198)
		<u> </u>	<u> </u>
19	CASH FLOWS FROM INVESTING ACTIVITIES		
		2024	2023
		£'000	£'000
	Purchase of tangible fixed assets	(141)	(14)
	Capital grants from DfE group	64	14
	Other capital grants	109	-
		<u> </u>	<u> </u>
		32	-
		<u> </u>	<u> </u>
20	ANALYSIS OF CASH AND CASH EQUIVALENTS		
		2024	2023
		£'000	£'000
	Cash at bank and in hand	1,579	1,668
		<u> </u>	<u> </u>

21 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 they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

22 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 the Teesside Pension Fund. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £159,598 (2023: £138,835) were payable to the schemes at 31 August 2024 and are included within creditors.

Teachers' pension scheme

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

The TPS is an unfunded scheme to which both the member and 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 ensure scheme costs are recognised and managed appropriately and the review specifies the level of future contributions.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 27 October 2023. With the SCAPE rate, set by HMT, applying a national investment return based on 1.7% above the rate of CPI.

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 28.68% of pensionable pay (including 0.08% administration levy). This is an increase of 5% in employer contributions and the cost control result is such that no change in member benefits is needed.
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million.

The result of this valuation will be implemented from 1 April 2024.

The next valuation result is due to be implemented from 1 April 2028.

The employer pension costs paid to TPS in the period amounted to £979,000 (2023 - £877,000).

Notes to the Financial Statements
for the Year Ended 31 August 2024

22 PENSION COMMITMENTS (continued)

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 is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the academy trust has taken advantage of the exemption on FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The 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 contribution made for the year ended 31 August 2024 was £514,000 (2023: £475,000), of which employer's contributions totalled £386,000 (2023: £348,000) and employees' contributions totalled £128,000 (2023: £127,000). The agreed contribution rates for future years are 17.5 per cent for employers and range from 5.5 to 12.5 per cent for employees.

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

Principal Actuarial Assumptions

	<u>31 August</u> <u>2024</u> <u>% per</u> <u>annum</u>	<u>31 August</u> <u>2023</u> <u>% per</u> <u>annum</u>
Rate of increase in salaries	3.65	4.00
Rate of increase in pensions in payment/inflation	2.65	3.00
Discount rate for scheme liabilities	5.00	5.20
Inflation assumptions (CPI)	2.65	3.00

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

	<u>31 August</u> <u>2024</u>	<u>31 August</u> <u>2023</u>
Retiring today		
Males	20.4	20.5
Females	23.4	23.5
Retiring in 20 years		
Males	21.2	21.3
Females	24.9	25.0

Sensitivity analysis (movement in scheme obligation)

	<u>31 August</u> <u>2024</u> <u>£'000</u>	<u>31 August</u> <u>2023</u> <u>£'000</u>
Discount rate + 0.1%	(0.184)	(0.174)
Discount rate - 0.1%	0.184	0.174
Mortality assumption - 1 year increase	(0.326)	(0.301)
Mortality assumption - 1 year decrease	0.326	0.301
CPI rate + 0.1%	0.176	0.155
CPI rate - 0.1%	(0.176)	(0.155)

Ironstone Academy Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
for the Year Ended 31 August 2024

22 PENSION COMMITMENTS (continued)

The academy's share of the assets and liabilities in the scheme were:

	<u>Fair Value at</u> <u>31 August</u> <u>2024</u> <u>£'000</u>	<u>Fair Value at</u> <u>31 August</u> <u>2023</u> <u>£'000</u>
Equity instruments	7,051	6,351
Property	2,582	2,001
Cash and other	298	348
	9,931	8,700
	9,931	8,700

The actual return on scheme assets was £965,000 (2023: £213,000).

Amounts recognised in the Statement of Financial Activities:-

	<u>2024</u> <u>£'000</u>	<u>2023</u> <u>£'000</u>
Current service costs	366	(523)
Interest income	459	338
Interest cost	(399)	(346)
	426	(531)
	426	(531)

Changes in the present value of defined benefit obligations were as follows:-

	<u>2024</u> <u>£'000</u>	<u>2023</u> <u>£'000</u>
At 1 September 2023	7,535	7,893
Current service cost	366	523
Interest cost	399	346
Actuarial gains	(69)	(1,227)
Benefits paid	(191)	(127)
Employee contributions	111	127
	8,151	7,535
At 31 August 2024	8,151	7,535

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

	<u>2024</u> <u>£'000</u>	<u>2023</u> <u>£'000</u>
At 1 September 2023	8,700	7,776
Interest income	459	338
Actuarial gains/(losses)	506	238
Employer contributions	346	348
Employee contributions	111	127
Benefits paid	(191)	(127)
	9,931	8,700
	9,931	8,700

22 PENSION COMMITMENTS (continued)

Principal Actuarial Assumptions (continued)

It must be appreciated in accordance with the Charity Commission publication, 'Charity Reserves and Defined Pension Schemes' that where, under FRS 102, a charity discloses a significant pension fund deficit, this does not mean that an immediate liability for this amount crystallises. Similarly, where a pension surplus is disclosed this does not create an immediately realisable asset that can be released straight away and expended on the purposes of the charity. In particular, the disclosure of a pension liability does not mean that the equivalent amount is already committed and is no longer available to the trustees to further the charity's objectives.

The LGPs shows an asset of £1,780,000 (2023: £1,165,000). This has not been recognised in the financial statements in accordance with FRS102 Section 28.22 as it is not expected that the surplus will be recoverable through reduced contributions in the future or refunds from the plan.

23 RELATED PARTY TRANSACTIONS

Teaching costs include £25,082 (2023: Nil) in relation to Mrs Faulkner, the spouse of Mr C Faulkner, CEO and trustee. This salary is paid at normal scale rates.

No other related party transactions occurred.