

VIEWLEY HILL ACADEMY
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

VIEWLEY HILL ACADEMY
(A Company Limited by Guarantee)

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VIEWLEY HILL ACADEMY
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REFERENCE AND ADMINISTRATIVE DETAILS

Members

P L Bowler
D Higgins
Rev K E Stone

Trustees

G Dorman Smith, Chair, Chair of SIC and Community Trustee
J C Thirkell, Vice Chair, Chair of F&R and Parent Trustee
A Baker, Parent Trustee
K Barkley, Headteacher & Accounting Officer
L Clayton (appointed 15 October 2023)
P Cowley, Community Trustee
R L Moffatt, Community Trustee
R Small, Parent Trustee (resigned 14 October 2023)
A Sigsworth, Parent Trustee
Rev K E Stone (resigned 21 September 2022)

Company registered number

08803858

Company name

Viewley Hill Academy

Principal and registered office

Andover Way
Hemlington
Middlesbrough
TS8 9HL

Senior Leadership Team

K Barkley, Headteacher
S Gardiner, Deputy Headteacher
C Scaife, Assistant Headteacher
J Lowe, Academy Business Manager

Independent auditors

Clive Owen LLP
Chartered Accountants
and Statutory Auditors
140 Coniscliffe Road
Darlington
County Durham
DL3 7RT

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Bankers

Lloyds Bank plc
Albert Road
Middlesbrough
TS1 2PP

Solicitors

Muckle LLP
Time Central
32 Gallowgate
Newcastle upon Tyne
NE1 4BF

VIEWLEY HILL ACADEMY
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year September 2022 to 31 August 2023. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The academy operates an academy for pupils aged 2-11 years serving a catchment area in west Middlesbrough of high deprivation. It has a pupil capacity of 268 pupils; Rec to Y6. In addition to compulsory school age offer, the academy offers 2 year old provision for 8 FTE and 26 FTE nursery places. Within this offer there are 13 places for 30-hour children. Viewley Hill had a roll of 326 pupils in the school census in summer 2023. Pupil are admitted to the school following the admissions policy.

Structure, Governance and Management

Constitution

The academy is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy. The Trustees of Viewley Hill Academy are also the Directors of the charitable company for the purposes of company law. The charitable company is known as Viewley Hill Academy.

Details of the Trustees who served during the year, and to the date these accounts are approved are included in the Reference and administrative details on page 1.

Members' Liability

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

Trustees' Indemnities

The academy has purchased insurance to protect Trustees from claims arising against negligent acts, errors or omissions occurring whilst on academy business.

Method of Recruitment and Appointment or Election of Trustees

The Members appoint a minimum of 9 Trustees. The headteacher of the academy is a Trustee and Members appoint up to 6 community Trustees. Parent Trustees are elected by the parents of registered pupils at the academy and must be a parent of a registered pupil at the academy at the time of appointment. The term of office for any Trustee shall be 4 years, save that this time limit shall not apply to the Headteacher or any post held ex-officio. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be re-appointed or re-elected.

Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new Trustees depends on their existing experience. Where necessary induction and training is provided on charity, educational, legal and financial matters. All new Trustees are given a tour of the academy and the chance to meet with staff and students. All Trustees are provided with copies of policies, procedures, minutes accounts, budgets, plans and other relevant documents that they will need to undertake their specific role as Trustees. As there are normally only one or two Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Trustees are also directed to the central training indication delivered by the Governance Service employed by the academy.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, Governance and Management (continued)

Organisational Structure

During the period 1 September 2022 to 31 August 2023 the academy operated a four-layer management structure: The Board of Trustees, the Strategic Leadership Team, Senior Leaders and the Middle Leaders Team.

The aim of the leadership and management structure is to devolve clear lines of responsibility, accountability and authority and to encourage involvement in strategic and operational decision making at all levels. The four -layer structure supports the strategic school priority of leadership development.

The Trustees are named as part of page 1 of this report, alongside their designated roles. They are responsible for: setting general policy, influencing the school improvement plan and overseeing the budget forecast, monitoring the academy's financial operations and academic standards and making major decisions about the direction of the academy, capital expenditure and senior staff appointments.

The Strategic Leadership Team includes the Headteacher, Deputy Headteacher, Assistant Headteacher and School Business Manager.

The Strategic Senior Leadership Team consists of the Headteacher, Deputy Headteacher, Assistant Headteacher and School Business Manager who lead on the strategic and operational management of the academy within their defined roles. On a day to day basis, they ensure the implementation of policies laid down by the Trustees and reporting back to them on effectiveness and impact. The spending control is devolved to the Headteacher and Business Manager for authorisation of spending within agreed budgets. Any spending above agreed limits must be referred to the Board of Trustees of the academy.

The Senior Leader group of the academy is centered on core subject and education provision, where a paid leadership responsibility is in place.

Senior Leaders focus on the operational leadership and strategic development of their defined areas of responsibility, and are supported by strategic senior leaders in school. These leaders contribute to strategic reporting (SEF / School Improvement Plan) and report to trustees the effectiveness and impact of their work throughout the course of the academic year.

The Middle Leaders team is reflective of individual subject and curriculum leadership responsibility, supporting leadership and leadership aspiration at all levels. Middle Leaders, working in conjunction with the Deputy Headteacher to lead individual subject development under UPS frameworks, and for some staff where they have interest and aspiration to take responsibility earlier in their career.

Arrangements for setting pay and remuneration of key management personnel

The Academy Pay Policy sets out in detail the arrangements for setting pay and remuneration of key management personnel. The policy applies to employees of the academy. Only Staff Trustees and the Senior Leadership Team receive pay from the academy as they are employees of the academy. The Trustees have an established committee to carry out determinations of pay in accordance with this policy.

In addition there is a Governor Allowances Policy which sets out the conditions which enable a Trustee to request a payment in respect of expenditure necessarily incurred for the purpose of enabling the Trustee or member to perform their governance duty.

Related Parties and other Connected Charities and Organisations

All Members and Trustees are required to declare any business interests that may impact on the academy. Details of transactions with Related Parties during the reporting period are in note 23 to the Financial Statements

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Objectives and Activities

The principal object and activity of Viewley Hill Academy is to provide education for pupils between the ages of 2-11 with an emphasis on ensuring that all children, despite any social and economic deprivation, achieve the best possible personal and academic outcomes considering their individual starting points.

In accordance with the articles of association the charitable company has adopted a 'Scheme of Government' approved by the Secretary of State for Education. The Scheme of Government specified, amongst other things, the basis for admitting students to the academy, the catchment area from which the students are drawn, and that the curriculums should comply with the substance of the national curriculum with emphasis on ensuring a broad, balanced and ambitious curriculum that meets the needs of the community we serve.

- Viewley Hill Academy serves an area of high social and economic deprivation, with an average of 66% of pupils registered as disadvantaged. This is significantly higher than the national average of 21%
- An average of 26% of pupils are vulnerable; receiving focused support from social care services or regularly from the school welfare team.
- An average of 20% of pupils are registered as SEND support within the school, higher than the national average of 12%. In addition, 5 pupils are now in receipt of an EHCP which reflects their high needs outside of notional SEND budget and support.

The academy runs a breakfast club which, in order to support the high levels of disadvantage is free to vulnerable children. Small group and individual interventions for identified pupils have been in place to support pupils both academically and socially.

A high staffing ratio is in place to meet our children's often complex learning, personal development and pastoral needs.

The academy is committed to ensuring pupils are offered a wide range of activities and experiences in order to support both personal and academic growth, knowledge and skills.

Objects and Aims

The main objectives of the academy during the year ended 31 August 2023 are as summarised below:

- Curriculum Ambition for All
- Outcomes
- Attendance, Mental Health and Well-Being
- Leadership Development

Objectives, Strategies and Activities

The academy's main objectives are encompassed in its mission statement which articulates the academy's ethos and strategies for achieving its objectives. The aims of the academy are as follows:

- Viewley Hill is at the heart of our community where every family is valued and welcomed.
- We aim to inspire each child to believe in their own potential and provide them with personal and academic life skills they need for their future.
- We will promote independence, curiosity and resilience; skills which will encourage our children to become life-long learners.
- We will provide a curriculum that is engaging and challenging and which responds to the needs of our children and enriches their experience of the world beyond their immediate community.
- We will support our children in becoming responsible and considerate young people. We will ensure they are safe and happy, and that their voice is heard. We will encourage them to contribute fully to the life of our school.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Objectives and Activities (continued)

These aims are underpinned by the school Values which are the bedrock of the culture and ethos of the school. These are:

- We try our best
- We listen
- We are respectful
- We are honest
- We are kind and helpful

To this end the objectives and the strategies used to achieve them include:

Curriculum Ambition for All

Ensure Cycle B of the newly devised wider curriculum is broad, balanced and ambitious and meets the intention of sequence of learning and including that of wider school experiences.

Ensure that children's prior knowledge is used as the driver for effectively planning and delivering learning that supports children in remembering what they have previously learnt, as well as link ideas together.

Ensure subject specific vocabulary is a non-negotiable element of all subjects, ensuring it is taught progressively and as a priority within the teaching sequence.

Refine approach to wider curriculum assessment that supports formative and summative assessment of all pupils, ensuring there is progression in them knowing more and remembering more.

Outcomes:

Continue to ensure rapid rates of progress in order to increase the proportion of pupils that are working at both EXS and GDS in reading, writing, math's and combined measure in all year groups.

Ensure rapid rates of progress across Early Years in order to improve the proportion of pupils who are working at ARE in prime areas, impacting on an improved proportion achieving GLD at the end of Reception.

Ensure that the non – negotiable policies for core subject teaching are consistently applied across all classrooms.

Ensure that core subject offer, and associates intervention, is progressive and tailored to the needs of individuals, particularly those who are disadvantaged.

Whilst being reflective of lost learning, ensure assessment and tracking procedures successfully influence the identification of asymmetric learners in order to improve outcomes at combined measures in all year groups.

Inclusion, Pastoral and Welfare:

SEND Pupils:

Ensure that the progress of pupils with SEND is at least good from their individual starting points, in all subjects, reflecting high aspiration and an individualised approach.

Attendance:

Prioritise attendance systems and processes in order to stand in line with the national average of 96%.

Refine the monitoring and response of school wide vulnerable children in order to improve their attendance on the previous year, and narrow the gap between other pupil groups.

Mental Health and Well-being:

Prioritise mental health and well-being within the curriculum, as a non-negotiable offer within the contextual curriculum.

Increase staff awareness of mental health in order to proactively support staff, children and community members.

Through curriculum teaching, as well as bespoke provision, improve pupils own understanding of looking after their mental health.

Engage in external events / with external professionals to support families and school community with mental health awareness.

Behaviour:

Develop systems to support and track escalating behaviours in school.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Objectives and Activities (continued)

Leadership:

Governance:

Work to ensure sustainability in key roles within the governance structure, in order to ensure strategic school development, support and challenge

Leadership Development:

Provide leadership opportunity at all levels within the organisation, supporting ambition and aspiration

Finance:

Ensure excellent value for money, particularly through premium and tutoring grants in order to ensure excellent outcomes for pupils.

Public Benefit

The academy's aims and achievements are set out within this report and have been undertaken to further its charitable purposes for the public benefit. The Trustees have complied with the duty under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales and the Trustees have considered this guidance in deciding what activities the academy should undertake.

Strategic Report

Achievements and Performance

Throughout 22-23 school leaders, at all levels, have remained clearly focused on ensuring the best possible educational offer and experiences for the children and families of the Viewley Hill community. A clear focus on outcomes has been reflected in EYFS outcomes being in line with predictions and phonics results reflecting the national average.

Key Stage 1 outcomes continue to be a strength of the academy and reflect the high quality offer our children receive from entry into the school setting.

The Y4 multiplication check outcomes are improved on the previous year however, the improvement in this area of provision is a priority moving forward.

KS2 outcomes reflect strength in individual subjects of writing and math. Reading outcomes however, did not meet predictions impacting on individual subject outcomes and that of combined measures. Whilst the test was found to be particularly challenging, work to improve reading fluence and comprehension will continue into next year.

Significant work has been focused on curriculum development and this continues to have a positive impact on the focused offer our children receive. Coupled with wider experiences, the curriculum is continuing to enrich the lives of, and meet the needs, of children in the community we serve. Focused improvements on ensuring the teaching cycle improves pupil subject knowledge and embedding this in long term memory, continues to be the focus of subject leaders and professional development.

Leadership development, accountability and responsibility continues to be a focus within the school, with restructure undertaken of personnel and responsibility. This has been successful to date and will continue to be refined as we move into the next academic year.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic Report (continued)

Achievements and Performance (continued)

Pupil Statutory Attainment Outcomes for 2022-2023 were as follows:

Early Years Outcomes:

Data	VHA	Comment
Pupils achieving GLD in July 2023	54%	2 borderlines for writing however, not put through as EXS due to independent application. Mid – Year Prediction: 51%
Reading	56%	
Writing	54%	
Maths	81%	

KS1 Phonics:

Phonics	VHA	Comment
Y1 outcomes	79%	In line with last year and previous NA
Y2 outcomes	94%	1 child did not sit test due to absence 2 children moving to KS2 without secure phonics

Key Stage 1 Outcomes:

	<u>VHA EXS+</u>	<u>VHA GDS</u>
Reading	71%	21%
Writing	74%	12%
Maths	79%	21%
Combined	67%	12%
Science	88%	

Y4 MTC:

<u>Multiplication Check</u>	<u>VHA</u>
Y4 outcomes 25/25	20%

Key Stage 2 Outcomes:

	<u>VHA EXS+</u>	<u>VHA GDS</u>
Reading	52%	11%
Writing	69%	6%
SP & G	66%	23%
Maths	69%	14%
Combined	46%	3%

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic Report (continued)

Achievements and Performance (continued)

Going Concern

Viewley Hill Academy is planning to join Lingfield Education Trust, a Multi Academy Trust, from 1 January 2024. All assets and liabilities will be transferred to the new trust on that date. The Trustees consider the trading activities of the academy to be continuing and as such believe preparing the financial statements under the going concern basis to be reasonable. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Promoting the success of the company

Financial Review

Most of the academy's income is obtained from the Department for Education (DfE) via the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE/ESFA during the year ended 31 August 2023 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The academy also received grants for fixed assets from the DfE/ESFA. In accordance with the Charities Statement of Recommended practice, 'Accounting and Reporting by Charities' (SORP 2015), such grants are shown under the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

This year the academy has increased capacity for 2 year old's as well as introduced 30 hour provision, bringing additional and unplanned income.

During the year ended 31 August 2023, total expenditure of £2,061,000 was in excess of recurrent grant funding from DfE/ESFA together with other incoming resources. The excess of expenditure over income for the year (before transfers and actuarial gains, and excluding fixed asset funds) was £25,000. The in-year surplus on restricted general funds plus unrestricted funds but excluding the movement in the pension reserve liability was £18,000.

All of the expenditure shown in the Statement of Financial Activities is in furtherance of the academy's objectives.

At 31 August 2023 net book value of fixed assets was £2,458,000 and movements in tangible fixed assets are shown in note 12 to the Financial Statements. The assets were used exclusively for providing education and the associated support services to the students of the academy.

The provisions of Financial Reporting Standard (FRS) 102 have been applied in full in respect of LGPS pension scheme, resulting in a £Nil balance recognised on the balance sheet.

The academy held fund balances as at 31 August 2023 of £2,794,000 comprising £255,000 of restricted general funds, £2,458,000 of restricted fixed asset funds, a pension balance of £Nil and £81,000 of unrestricted funds.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Reserves Policy

The academy holds restricted and unrestricted funds (the attached financial statements detail these funds). Unrestricted funds are held:

- To provide funds which can be designated to specific areas such as curriculum development and training.
- To cover ongoing costs in relation to the running of the academy including catering provisions, school trips and uniform costs

The level of reserves is reviewed by Trustees regularly throughout the year. The minimum level of reserves for the ongoing needs of the academy is reviewed by the Trustees on an annual basis. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees therefore consider it is prudent to hold reserves in the general fund in the form of restricted general funds and unrestricted funds of £80,000.

This is considered sufficient to broadly cover the staffing needs of the academy.

As at 31 August 2023 the academy holds available reserves of £336,000, comprising of restricted general funds (excluding pension reserves) of £255,000 and unrestricted funds of £81,000. The Trustees continue to consider additional activities related to the academy's objectives to which the excess reserves may be applied including:

- a) Reviewed use of Annexe to create bespoke pastoral space for school and community
- b) Library provision moved to main school location
- c) Key Stage 2 Playground Provision

Investment Policy

The academy invests surplus funds through money market accounts. Interest rates are reviewed prior to each investment. This policy maximises investment return whilst minimising risks to the principal sum.

Principal Risks and Uncertainties

The principal risks and uncertainties are centered on changes in the level of funding from DfE/ESFA. In addition, the academy is a member of the Local Government Pension Scheme (LGPS), which results in the recognition of a significant deficit on the academy Balance Sheet.

The Trustees have assessed the major risks, to which the academy is exposed, in particular those relating specifically to teaching provision of facilities and other operational areas of the academy, and its finances. The Trustees have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school visits) and in relation to the control of finance. Where significant financial risk still remains they have ensured they have adequate insurance cover. The academy has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

The academy has fully implemented the requirements of the Safe Recruitment procedures and all staff have received training in this area in addition to training on Safeguarding and Child Protection.

The academy is subject to a number of risks and uncertainties in common with other academies. The academy has in place procedures to identify and mitigate financial risks.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Fundraising

The academy undertakes small fundraising activities advertised to parents and extended family members in order to raise monies to offset costs of activities and resources which enhance the curriculum and experience of children in school. Examples of these activities during 2022-2023 include:

- Raffles
- Non-uniform events

Examples of activities and resources these activities offset the costs of:

- Live theatre performances in school
- Educational experiences contribution
- Christmas parties and rewards for children

Streamlined energy and carbon reporting

As the academy has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

Plans for future periods

During the period 1 September 2021 to 31 August 2023 the following works were undertaken.

- Improvements made to EYFS pre-school and nursery to meet the needs of growing SEND needs (particular focus on communication and language, and sensory needs)
- Internal decoration

The academy has identified the following areas for future development:

- development of upper school playgrounds
- re-development of unused shower and storage spaces and school kitchen to support SEND and pastoral development
- accessible library space

The priority for spend in 23-24 will be determined by Trustees in the autumn term of 23.

Auditor

Insofar as the Trustees are aware:

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

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 15 November 2023 and signed on its behalf by:

Mrs G Dorman-Smith
Chair

VIEWLEY HILL ACADEMY
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GOVERNANCE STATEMENT

Scope of responsibility

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

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

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

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The full Board of Trustees has formally met 4 times throughout the year, with committees meeting an additional 3 times, on a termly basis. The Board met less than 6 times due to the clearly established committees/portfolio groups of Trustees who can deal with specific areas of responsibility following robust terms of reference. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
G Dorman Smith	4	4
J C Thirkell	3	4
A Baker	3	4
K Barkley, Headteacher & Accounting Officer	4	4
P Cowley	3	4
R L Moffatt	4	4
R Small	2	4
A Sigsworth	3	4
Rev K E Stone	0	0

Attendance at Finance and Resource Meetings was as follows:

Trustee	Meetings attended	Out of a possible
G Dorman Smith	2	3
K Barkley	3	3
A Sigsworth	2	3
Mrs J Thirkell	3	3

Attendance at School Improvement Meetings was as follows:

Trustee	Meetings attended	Out of a possible
A Baker	3	3
K Barkley	3	3
G Dorman-Smith	3	3
Mrs R Moffat	3	3
A Sigsworth	3	3
Mrs R Small	3	3

VIEWLEY HILL ACADEMY
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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

For Information

- Mrs Lowe, School Business Manager, attended FGB and F&R meetings in an advisory capacity
- Mr Taylor, School Improvement Partner, attended SIC meetings in an advisory capacity

Review of value for money

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

The Accounting Officer considers how the academy'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 or by using a framework where appropriate. The Accounting Officer for the academy has delivered improved value for money during the year by:

Improving Educational Outcomes

As an academy, we continually review the impact of our priorities, work and spend. This is a conscious review in order to ensure the best possible educational and pastoral outcomes for our children.

The community we serve is significantly deprived, and at times highly complex, and so we recognise the importance of ensuring that we strive to meet the pastoral and safeguarding needs of our children and families, in order to allow them to be able to achieve the best educational outcomes they can, from their own starting points.

Additional funds through Pupil Premium and National Tutoring Funding has been used to facilitate catch up and support for vulnerable learners as well as allow for smaller teacher : pupil ratios in core subject teaching.

Please see aims and objectives, and outcomes, for further detail.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and priorities the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Viewley Hill Academy for the period 1 September 2022 –31 August 2023 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the academy is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy's significant risks that has been in place for the period 1 September 2022- 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

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GOVERNANCE STATEMENT (CONTINUED)

The Risk and Control Framework

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

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

The Board of Trustees has decided to employ Azets as internal auditor. This option has been chosen following a discussion with the Finance and Resource committee.

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

Visit 1 – 19/01/2023

- Financial Accounting Records & Systems
- Whistle Blowing
- Bank Procedures
- Payroll
- Joiners & Leavers
- Assets
- Gifts & Hospitality
- Budgeting & Cashflow

Visit 2 – 19/05/2023 – 22/05/2023.

- Website Review
- Financial Procedures, Accounting Records and Systems (Revisit)
- Register of Pecuniary Interests
- Data Protection & GDPR Compliance
- Self-Evaluation of Financial Competencies
- Year-end Procedures
- Bank Procedures (Revisit)
- Procurement
- Assets (Revisit)
- Data Security
- Monthly Management Reporting and KPIs
- Compliance & Governance

On a termly basis, the auditor reports to the Board of Trustees, through the Finance and Resource 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 auditor prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

Further to this, the academy has completed internal audit and all systems and controls have again been found to be compliant.

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GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

As Accounting Officer, the Headteacher 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 executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditors

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 15 November 2023 and signed on their behalf by:

Mrs G Dorman Smith
Chair

Mrs K Barkley
Accounting Officer

VIEWLEY HILL ACADEMY
(A Company Limited by Guarantee)

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Viewley Hill Academy I have considered my responsibility to notify the academy Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy, including for estates safety and management, under the funding agreement in place between the academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

I confirm that I and the academy Board of Trustees are able to identify any material irregular or improper use of all funds by the academy, or material non-compliance with the terms and conditions of funding under the academy's funding agreement and the Academy Trust Handbook 2022.

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

K Barkley
Accounting Officer
Date: 15 November 2023

VIEWLEY HILL ACADEMY
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2023

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 and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare 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 of the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the 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 and signed on its behalf by:

G Dorman-Smith
Chair

Date: 15 November 2023

VIEWLEY HILL ACADEMY
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
VIEWLEY HILL ACADEMY**

Opinion

We have audited the financial statements of Viewley Hill Academy (the 'academy') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, 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 2022 to 2023 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's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

Emphasis of matter

We draw attention to note 1.2 in the financial statements, which states that the academy is planning to join Lingfield Education Trust on 1 January 2024. As a result, the majority of assets and liabilities will transfer to Lingfield Education Trust on 1 January 2024 and the academy will cease to trade and will be dissolved.

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

VIEWLEY HILL ACADEMY
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
VIEWLEY HILL ACADEMY (CONTINUED)**

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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. 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic 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 and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the academy 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 academy'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 academy or to cease operations, or have no realistic alternative but to do so.

VIEWLEY HILL ACADEMY
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
VIEWLEY HILL ACADEMY (CONTINUED)**

Auditors' responsibilities for the audit of the financial statements

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 Auditors' 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. Our audit must be alert to the risk manipulation of the financial statements and seek to understand the incentives and opportunities for management to achieve this.

We undertake the following procedures to identify and respond to these risks of non-compliance:

- Understanding the key legal and regulatory frameworks that are applicable to the Trust. We communicated identified laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit. We determined the most significant of these to be the regulations set out by the DfE/ESFA. Our audit focuses on financial matters as set out in our regularity opinion. Other key laws and regulations included safeguarding, Health & Safety, GDPR and employment law
- Enquiry of trustees and management as to policies and procedures to ensure compliance and any known instances of non-compliance
- Review of board minutes and correspondence with regulators
- Enquiry of trustees and management as to areas of the financial statements susceptible to fraud and how these risks are managed
- Challenging management on key estimates, assumptions and judgements made in the preparation of the financial statements. These key areas of uncertainty are disclosed in the accounting policies
- Identifying and testing unusual journal entries, with a particular focus on manual journal entries.

Through these procedures, we did not become aware of actual or suspected non-compliance.

We planned and performed our audit in accordance with auditing standards but owing to the inherent limitations of procedures required in these areas, there is an unavoidable risk that we may not have detected a material misstatement in the accounts. The further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve concealment, collusion, forgery, misrepresentations, or override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 Auditors' Report.

Use of our report

This report is made solely to the academy'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's members those matters we are required to state to them in an Auditors' 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 and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

VIEWLEY HILL ACADEMY
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
VIEWLEY HILL ACADEMY (CONTINUED)**

Kevin Shotton BA BFP FCA (Senior Statutory Auditor)

for and on behalf of

Clive Owen LLP

Chartered Accountants

and Statutory Auditors

Darlington

County Durham

DL3 7RT

Date:

VIEWLEY HILL ACADEMY
(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 16 September 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Viewley Hill Academy during the year 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Viewley Hill Academy's Accounting Officer and the reporting accountant

The accounting officer is responsible, under the requirements of Viewley Hill Academy's funding agreement with the Secretary of State for Education dated 18 December 2013 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

VIEWLEY HILL ACADEMY
(A Company Limited by Guarantee)

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Review of governing body and committee minutes;-
- Review of termly Internal Assurance reports;
- Completion of self assessment questionnaire by Accounting Officer;
- Review documentation provided to Trustees and Accounting Officer setting out responsibilities;
- Obtain formal letters of representation detailing the responsibilities of Trustees;
- Review of payroll, purchases and expenses claims on a sample basis;
- Confirmation that the lines of delegation and limits set have been adhered to;
- Evaluation of internal control procedures and reporting lines;
- Review cash payments for unusual transactions;
- Review of credit card transactions;
- Review of registers of interests;
- Review related party transactions;
- Review of borrowing agreements;
- Review of land and building transactions;
- Review of potential and actual bad debts;
- Review an instance of gifts/hospitality to ensure in line with policy;
- Review whistleblowing procedures;
- Review pay policy and factors determining executive pay;
- Review of staff expenses;
- Review other income to ensure is in line with funding agreement;
- Review governance structure and number of meetings held; and
- Review whether there is a risk register in place

Conclusion

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

VIEWLEY HILL ACADEMY
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO VIEWLEY
HILL ACADEMY AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

Clive Owen LLP
Reporting Accountant
140 Coniscliffe Road
Darlington
County Durham
DL3 7RT

Date:

VIEWLEY HILL ACADEMY
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023**

	Note	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Income from:						
Donations and capital grants	3	2	-	23	25	8
Other trading activities		25	-	-	25	101
Charitable activities		16	1,907	-	1,923	1,745
Total income		<u>43</u>	<u>1,907</u>	<u>23</u>	<u>1,973</u>	<u>1,854</u>
Expenditure on:						
Charitable activities		34	1,941	86	2,061	1,990
Total expenditure		<u>34</u>	<u>1,941</u>	<u>86</u>	<u>2,061</u>	<u>1,990</u>
Net income/ (expenditure)		9	(34)	(63)	(88)	(136)
Transfers between funds	15	-	11	(11)	-	-
Net movement in funds before other recognised gains/(losses)		<u>9</u>	<u>(23)</u>	<u>(74)</u>	<u>(88)</u>	<u>(136)</u>
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	21	-	241	-	241	1,060
Asset ceiling restriction		-	(205)	-	(205)	-
Net movement in funds		<u>9</u>	<u>13</u>	<u>(74)</u>	<u>(52)</u>	<u>924</u>
Reconciliation of funds:						
Total funds brought forward		72	242	2,532	2,846	1,922
Net movement in funds		9	13	(74)	(52)	924
Total funds carried forward		<u>81</u>	<u>255</u>	<u>2,458</u>	<u>2,794</u>	<u>2,846</u>

VIEWLEY HILL ACADEMY
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08803858

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £000	2022 £000
Fixed assets			
Tangible assets	12	2,458	2,532
		2,458	2,532
Current assets			
Debtors	13	102	119
Cash at bank and in hand		398	394
		500	513
Creditors: amounts falling due within one year	14	(164)	(195)
		336	318
Net current assets		336	318
Total assets less current liabilities		2,794	2,850
Net assets excluding pension asset / liability		2,794	2,850
Defined benefit pension scheme asset / liability	21	-	(4)
Total net assets		2,794	2,846

VIEWLEY HILL ACADEMY
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08803858

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

	Note		2023 £000	2022 £000
Funds of the academy				
Restricted funds:				
Fixed asset funds	15	2,458	2,532	
Restricted income funds	15	255	246	
		<hr/>	<hr/>	
Restricted funds excluding pension asset	15	2,713	2,778	
Pension reserve	15	-	(4)	
		<hr/>	<hr/>	
Total restricted funds	15		2,713	2,774
Unrestricted income funds	15		81	72
			<hr/>	<hr/>
Total funds			<u>2,794</u>	<u>2,846</u>

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 25 to 52 were approved by the Trustees, and authorised for issue on 15 November 2023 and are signed on their behalf, by:

G Dorman-Smith
Chair

VIEWLEY HILL ACADEMY
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £000	2022 £000
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	17	(7)	28
Cash flows from investing activities	18	11	(16)
Change in cash and cash equivalents in the year		4	12
Cash and cash equivalents at the beginning of the year		394	382
Cash and cash equivalents at the end of the year	19, 20	398	394

The notes on pages 29 to 52 form part of these financial statements

VIEWLEY HILL ACADEMY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

1.2 Going concern

On 1 January 2024, Viewley Hill Academy is planning to join Lingfield Education Trust. As a result, most of the assets and liabilities at that date will be transferred into the new trust. As such it is unlikely that this entity will be trading for 12 months following the approval of these financial statements.

1.3 Income

All income is recognised once the academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable 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 year is deducted from income and recognised as a liability.

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

• **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 has provided the goods or services.

VIEWLEY HILL ACADEMY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

• **Charitable activities**

Expenditure on charitable activities are costs incurred on the academy's educational operations, including support costs and those costs relating to the governance of the academy appointed to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

1.5 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 these asset, less their estimated residual value, over its expected useful lives on the following basis:

Depreciation is provided on the following bases:

Long-term leasehold property	- 50 years
Long-term leasehold land	- 125 years
Fixtures and fittings	- 3 - 4 years
Computer equipment	- 2 years

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 incorporating Income and Expenditure Account.

1.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the academy; this is normally upon notification of the interest paid or payable by the Bank.

VIEWLEY HILL ACADEMY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.7 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

1.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.10 Liabilities and provisions

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy 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 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.

1.11 Financial instruments

The academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy and their measurement bases 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 13. 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 14. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.12 Taxation

The academy 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 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.

VIEWLEY HILL ACADEMY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.13 Pensions

Retirement benefits to employees of the academy are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy 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. 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.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy 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 operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1.14 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 the funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Goodwin

The case related to male spouse or civil partner of a female member is treated in the same way as a same-sex spouse or civil partner. Survivor benefits will be calculated using service from 1 April 1972, or 6 April 1978 if the marriage or civil partnership took place after the last day of pensionable service. This change will apply for deaths in respect of female members which occurred from 5 December 2005, which is the date that same-sex civil partnerships were introduced. This case was brought against the Teachers' Pension Scheme. Actuaries have estimated that the impact of Goodwin indexation to be less than 0.1% of total liabilities. Based on this estimate it would increase liabilities by £1,000 which has been assessed to be immaterial to the financial statements.

Depreciation – Depreciation is calculated so as to write off the cost of an asset, less its residual value, over the economic life of that asset. An estimate of the useful life of assets is detailed in the depreciation accounting policy. The value of depreciation charge during the year was £86,000.

Critical areas of judgment:

Land – Land is held under a 125 year lease from Middlesbrough Borough Council. These assets are included on the balance sheet of the academy due to the significant risks and rewards of ownership belonging to the academy, the lease term being the major part of the economic life of the assets and the assets being of such a specialised nature that only the academy could use them without major modification.

LGPS Pension - The original Local Government Pension Scheme valuation showed an asset of £205,000. That asset valuation is highly dependent on a number of assumptions and does not represent the future value of benefits to the academy. As a result, the Trustees commissioned a valuation of the potential benefits to the academy – an asset ceiling valuation. Based on minimum funding requirements for contributions relating to future service this showed a potential asset of £205,000. Given the relatively low value combined with the fact that the last Local Government Scheme actuarial review set the contribution rates from 1 April 2023 and that these will not be revised until April 2026 the Trustees have decided to include the pension asset at £NIL.

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NOTES TO THE FINANCIAL STATEMENTS
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3. Income from donations and capital grants

	Unrestricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Donations	2	-	2	1
Capital Grants	-	23	23	7
	<u>2</u>	<u>23</u>	<u>25</u>	<u>8</u>
Total 2022	<u>1</u>	<u>7</u>	<u>8</u>	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

4. Funding for the academy's educational operations

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Academy's educational operations				
DfE/ESFA grants				
General Annual Grant (GAG)	-	1,278	1,278	1,237
Other DfE/ESFA grants				
Pupil Premium	-	246	246	224
PE and Sport Premium	-	18	18	18
UIFSM	-	14	14	13
Rates	-	6	6	3
Teachers' pay grant	-	1	1	2
Teachers' pension grant	-	3	3	6
Other DfE Group grants	-	1	1	-
Supplementary grant	-	42	42	17
Mainstream Schools Additional grant	-	20	20	-
	-	1,629	1,629	1,520
Other Government grants				
SEN	-	54	54	25
Early Years Funding	-	80	80	91
Local Authority grants	-	103	103	59
	-	237	237	175
Other income from the academy's educational operations				
	16	-	16	10
COVID-19 additional funding (DfE/ESFA)				
Catch-up Premium	-	23	23	21
Other DfE/ESFA COVID-19 funding	-	18	18	19
	-	41	41	40
	16	1,907	1,923	1,745
	16	1,907	1,923	1,745
Total 2022	10	1,735	1,745	

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NOTES TO THE FINANCIAL STATEMENTS
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5. Income from other trading activities

	Unrestricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Income from facilities and services	10	10	66
Non student catering income	1	1	2
Receipts from supply teaching insurance claims	11	11	21
Other	3	3	12
	25	25	101
	25	25	101

All income from other trading activities was attributable to unrestricted funds for the year ended 31 August 2023.

6. Expenditure

	Staff Costs 2023 £000	Premises 2023 £000	Other 2023 £000	Total 2023 £000	Total 2022 £000
Academy's educational operations:					
Direct costs	1,305	-	166	1,471	1,422
Allocated support costs	136	260	194	590	568
	1,441	260	360	2,061	1,990
	1,441	260	360	2,061	1,990
Total 2022	1,420	240	330	1,990	
	1,420	240	330	1,990	

In 2023, of the total expenditure, £34,000 (2022 - £125,000) was to unrestricted funds and £2,027,000 (2022 - £1,865,000) was to restricted funds.

There were not individual transactions exceeding £5,000 for:

- Compensation payments
- Gifts made by the academy
- Fixed asset losses
- Stock losses
- Unrecoverable debts
- Cash losses

There were no ex-gratia payments in the year.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

7. Analysis of expenditure by activities

	Activities undertaken directly 2023 £000	Support costs 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Academy's educational operations	1,471	590	2,061	1,990
	<u>1,422</u>	<u>568</u>	<u>1,990</u>	
Total 2022	<u>1,422</u>	<u>568</u>	<u>1,990</u>	

Analysis of direct costs

	Total funds 2023 £000	Total funds 2022 £000
Staff costs	1,305	1,271
Educational supplies	133	107
Staff development	9	9
Technology costs	11	9
Educational consultancy	13	26
	<u>1,471</u>	<u>1,422</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2023 £000	Total funds 2022 £000
Net interest cost on pension scheme	1	17
Staff costs	136	149
Depreciation	86	89
Technology costs	22	22
Supply insurance	18	17
Maintenance of premises	37	23
Cleaning	48	46
Other premises costs	9	18
Energy	61	34
Rent and rates	5	3
Insurance	12	10
Operating lease rentals	4	7
Catering	116	91
Security	2	3
Other costs	17	19
Governance costs	16	20
	590	568
	590	568

8. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2023 £000	2022 £000
Operating lease rentals	4	7
Depreciation of tangible fixed assets	86	89
Fees paid to auditors for:		
- audit	8	8
- other services	2	2
	90	106
	90	106

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NOTES TO THE FINANCIAL STATEMENTS
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9. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023 £000	2022 £000
Wages and salaries	1,016	987
Social security costs	94	89
Pension costs	252	320
	1,362	1,396
Agency staff costs	79	24
	1,441	1,420

Included in pension costs is a charge of £31,000 (2022 : £111,000) relating to the pension deficit actuarial adjustment.

b. Staff numbers

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

	2023 No.	2022 No.
Teachers	12	13
Administration and support	21	23
Management	4	4
	37	40
	37	40

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**NOTES TO THE FINANCIAL STATEMENTS
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9. Staff (continued)

c. Higher paid staff

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

	2023 No.	2022 No.
In the band £60,001 - £70,000	-	1
In the band £70,001 - £80,000	1	-
	1	-

d. Key management personnel

The key management personnel of the academy comprise the Trustees and the Senior Leadership Team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy was £290,000 (2022: £289,000).

10. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2023 £000	2022 £000
K Barkley, Accounting Officer - Appointed 1 September 2020	Remuneration	70 - 75	65 - 70
	Pension contributions paid	15 - 20	15 - 20

During the year ended 31 August 2023, no Trustee expenses have been incurred (2022 - £NIL).

11. Trustees' and Officers' insurance

In accordance with normal commercial practice, the academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost of this insurance is included in the total insurance cost.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

12. Tangible fixed assets

	Land & Leasehold property £000	Fixtures and fittings £000	Computer equipment £000	Total £000
Cost or valuation				
At 1 September 2022	2,956	186	84	3,226
Additions	-	8	4	12
At 31 August 2023	<u>2,956</u>	<u>194</u>	<u>88</u>	<u>3,238</u>
Depreciation				
At 1 September 2022	475	135	84	694
Charge for the year	58	27	1	86
At 31 August 2023	<u>533</u>	<u>162</u>	<u>85</u>	<u>780</u>
Net book value				
At 31 August 2023	<u>2,423</u>	<u>32</u>	<u>3</u>	<u>2,458</u>
At 31 August 2022	<u>2,481</u>	<u>51</u>	<u>-</u>	<u>2,532</u>

13. Debtors

	2023 £000	2022 £000
VAT recoverable	32	45
Prepayments and accrued income	70	74
	<u>102</u>	<u>119</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

14. Creditors: Amounts falling due within one year

	2023 £000	2022 £000
Trade creditors	75	106
Other taxation and social security	24	21
Other creditors	28	29
Accruals and deferred income	37	39
	164	195
	164	195
	2023 £000	2022 £000
Deferred Income		
Deferred income at 1 September 2022	12	11
Resources deferred during the year	11	12
Amounts released from previous periods	(12)	(11)
	11	12
Deferred income at 31 August 2021	11	12

Deferred income includes free school meals funding and rates relief which relates to the following academic year.

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NOTES TO THE FINANCIAL STATEMENTS
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15. Statement of funds

	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2023 £000
Unrestricted funds						
Unrestricted general funds	72	43	(34)	-	-	81
Restricted general funds						
General Annual Grant (GAG)	246	1,278	(1,280)	11	-	255
Pupil Premium	-	246	(246)	-	-	-
Other DfE/ESFA grants	-	105	(105)	-	-	-
SEN	-	54	(54)	-	-	-
Other Government grants	-	183	(183)	-	-	-
Covid Funding	-	41	(41)	-	-	-
Pension reserve	(4)	-	(32)	-	36	-
	242	1,907	(1,941)	11	36	255
Restricted fixed asset funds						
Inherited on conversion	2,266	-	(53)	-	-	2,213
DfE/ESFA Capital grants	19	23	(9)	(14)	-	19
Capital expenditure from GAG	144	-	(21)	3	-	126
CIF	101	-	(2)	-	-	99
ESFA Donations	2	-	(1)	-	-	1
	2,532	23	(86)	(11)	-	2,458
Total Restricted funds	2,774	1,930	(2,027)	-	36	2,713
Total funds	2,846	1,973	(2,061)	-	36	2,794

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

15. Statement of funds (continued)

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

The General Annual Grant (GAG) must be used for the normal running of the academy including salaries and related costs, overheads, repairs and maintenance, and insurance.

Pupil Premium is additional funding to be spent as the school sees fit to support deprived students.

Universal Infant Free School Meals (included within Other DfE/ESFA Grants) is funding to provide a free school lunch to all pupils in reception, year 1 and year 2.

Other DfE/ESFA Grants also includes the PE and sport premium grant, rates relief, teachers' pay grant , teachers' pension grant, supplementary grant and mainstream schools additional grant.

Covid-19 funding is money recieved to help support pupils educaion recovery following the pandemic.

Other Government grants include Early Years funding for three and four year old children, funding for pupils with Special Educational Needs and other income from the local authority.

The pension reserves is the liability due to the deficit on the Local Government Pension Scheme. Further details are shown in note 21.

The restricted fixed asset funds represent monies received to purchase fixed assets. Depreciation is charged against each fund over the useful economic life of the associated assets.

Unrestricted funds include the income from uniform sales, school trips and catering with the relevant costs allocated accordingly.

Transfers totalling £11,000 have been made from the GAG to fixed asset funds in relation to capital assets acquired through GAG and revenue expenditure using DFC.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2023.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

15. Statement of funds (continued)

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

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2022 £000
Unrestricted funds						
Unrestricted general funds	85	112	(125)	-	-	72
Restricted general funds						
General Annual Grant (GAG)	262	1,237	(1,148)	(105)	-	246
Pupil Premium	-	224	(224)	-	-	-
Other DfE/ESFA grants	2	59	(61)	-	-	-
SEN	-	25	(25)	-	-	-
Other Government grants	-	150	(150)	-	-	-
Covid Funding	-	40	(40)	-	-	-
Pension reserve	(936)	-	(128)	-	1,060	(4)
	(672)	1,735	(1,776)	(105)	1,060	242
Restricted fixed asset funds						
Inherited on conversion	2,320	-	(54)	-	-	2,266
DfE/ESFA Capital grants	22	7	(10)	-	-	19
Capital expenditure from GAG	60	-	(21)	105	-	144
CIF	104	-	(3)	-	-	101
ESFA Donations	3	-	(1)	-	-	2
	2,509	7	(89)	105	-	2,532
Total Restricted funds	1,837	1,742	(1,865)	-	1,060	2,774
Total funds	1,922	1,854	(1,990)	-	1,060	2,846

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NOTES TO THE FINANCIAL STATEMENTS
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16. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000
Tangible fixed assets	-	-	2,458	2,458
Current assets	81	419	-	500
Creditors due within one year	-	(164)	-	(164)
Total	<u>81</u>	<u>255</u>	<u>2,458</u>	<u>2,794</u>

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000
Tangible fixed assets	-	-	2,532	2,532
Current assets	72	352	89	513
Creditors due within one year	-	(106)	(89)	(195)
Provisions for liabilities and charges	-	(4)	-	(4)
Total	<u>72</u>	<u>242</u>	<u>2,532</u>	<u>2,846</u>

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NOTES TO THE FINANCIAL STATEMENTS
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17. Reconciliation of net expenditure to net cash flow from operating activities

	2023 £000	2022 £000
Net expenditure for the year (as per Statement of Financial Activities)	(88)	(136)
Adjustments for:		
Depreciation	86	89
Capital grants from DfE and other capital income	(23)	(7)
Defined benefit pension scheme cost less contributions payable	31	111
Defined benefit pension scheme finance cost	1	17
Decrease/(increase) in debtors	17	(22)
Decrease in creditors	(31)	(24)
Net cash (used in)/provided by operating activities	(7)	28

18. Cash flows from investing activities

	2023 £000	2022 £000
Purchase of tangible fixed assets	(12)	(23)
Capital grants from DfE Group	23	7
Net cash provided by/(used in) investing activities	11	(16)

19. Analysis of cash and cash equivalents

	2023 £000	2022 £000
Cash in hand and at bank	398	394
Total cash and cash equivalents	398	394

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**NOTES TO THE FINANCIAL STATEMENTS
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20. Analysis of changes in net debt

	At 1 September 2022 £000	Cash flows £000	At 31 August 2023 £000
Cash at bank and in hand	394	4	398
	394	4	398
	394	4	398

21. Pension commitments

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2022.

Contributions amounting to £25,000 were payable to the schemes at 31 August 2023 (2022 - £24,000) 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 full-time 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

21. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the year amounted to £158,000 (2022 - £153,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy 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 2023 was £84,000 (2022 - £74,000), of which employer's contributions totalled £63,000 (2022 - £56,000) and employees' contributions totalled £ 21,000 (2022 - £18,000). The agreed contribution rates for future years are 17.5% for employers and 5.5 - 12.5% for employees.

The original Local Government Pension Scheme valuation showed an asset of £205,000. That asset valuation is highly dependent on a number of assumptions and does not represent the future value of benefits to the academy. As a result, the Trustees commissioned a valuation of the potential benefits to the academy – an asset ceiling valuation. Based on minimum funding requirements for contributions relating to future service this showed a potential asset of £205,000. Given the relatively low value combined with the fact that the last Local Government Scheme actuarial review set the contribution rates from 1 April 2023 and that these will not be revised until April 2026 the Trustees have decided to include the pension asset at £NIL.

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.

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NOTES TO THE FINANCIAL STATEMENTS
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21. Pension commitments (continued)

Principal actuarial assumptions

	2023 %	2022 %
Rate of increase in salaries	4.00	4.05
Rate of increase for pensions in payment/inflation	3.00	3.05
Discount rate for scheme liabilities	5.20	4.25
Inflation assumption (CPI)	3.00	3.05
Commutation of pensions to lump sums	80.00	80.00

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

	2023 Years	2022 Years
Retiring today		
Males	20.5	21.7
Females	23.5	23.5
Retiring in 20 years		
Males	21.3	22.9
Females	25.0	25.3

Sensitivity analysis

	2023 £000	2022 £000
Discount rate +0.1%	(32)	(36)
Discount rate -0.1%	32	36
Mortality assumption - 1 year increase	(51)	(59)
Mortality assumption - 1 year decrease	51	59
CPI rate +0.1%	29	33
CPI rate -0.1%	(29)	(33)

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21. Pension commitments (continued)

Share of scheme assets

The academy's share of the assets in the scheme was:

	At 31 August 2023 £000	At 31 August 2022 £000
Equities	1,079	1,004
Cash	59	206
Property	340	266
	1,478	1,476
	1,478	1,476

The actual return on scheme assets was £40,000 (2022 - £83,000).

The amounts recognised in the Statement of Financial Activities are as follows:

	2023 £000	2022 £000
Current service cost	(94)	(167)
Interest income	64	23
Interest cost	(65)	(40)
	(95)	(184)
	(95)	(184)

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

	2023 £000	2022 £000
At 1 September	1,480	2,274
Current service cost	94	167
Interest cost	65	40
Employee contributions	21	18
Actuarial gains	(365)	(1,000)
Benefits paid	(22)	(19)
Asset ceiling restriction	205	-
	1,478	1,480
At 31 August	1,478	1,480

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

21. Pension commitments (continued)

Changes in the fair value of the academy's share of scheme assets were as follows:

	2023 £000	2022 £000
At 1 September	1,476	1,338
Expected return on assets	64	23
Actuarial (losses)/gains	(124)	60
Employer contributions	63	56
Employee contributions	21	18
Benefits paid	(22)	(19)
At 31 August	1,478	1,476

22. Operating lease commitments

At 31 August 2023 the academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £000	2022 £000
Amounts Payable:		
Within one year	5	-
Between one and five years	13	-
Total	18	-

23. Related party transactions

Owing to the nature of the academy and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy's financial regulations and normal procurement procedures relating to connected and related party transactions.

There were no transactions either in 2022 or 2023.