

Registration number: 07465520

# WHITBURN CHURCH OF ENGLAND ACADEMY

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2020

# Whitburn Church of England Academy

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# Whitburn Church of England Academy

## Reference and Administrative Details

<b>Members</b>	Durham Diocesan Board of Finance represented by the Reverend Canon S Bain (appointed 1 November 2019) The Bishop of Durham The Venerable R Cooper, Archdeacon of Sunderland V Cuthbert (appointed 14 September 2020) J Mulley (resigned 16 December 2019) A L Tobin (appointed 9 January 2020)
<b>Trustees (Directors)</b>	C Alder S A Beech, Vice Chair (appointed 7 January 2020) N Clougher J Crowe, Principal and Accounting Officer I D Fawdon B Morris T Mulford J Mulley, Chair (resigned 16 December 2019) M Small A L Tobin, Chair (appointed 7 January 2020) J Welsh (appointed 10 September 2019) L W D Williamson (appointed 17 September 2019) P R Woolston (appointed 26 November 2019)
<b>Company Secretary</b>	G E Hodgson, Mrs
<b>Senior Management Team</b>	J Crowe, Principal D Smith, Senior Deputy Headteacher C Shaw, Deputy Headteacher D Tenet, Assistant Headteacher N J Clougher, Assistant Headteacher L Craggs, Assistant Headteacher C Adams, CFO
<b>Principal and Registered Office</b>	Rackly Way Whitburn Sunderland SR6 7EF
<b>Company Name</b>	Whitburn Church of England Academy
<b>Company Registration Number</b>	07465520
<b>Auditors</b>	MHA Tait Walker Bulman House Regent Centre Gosforth Newcastle upon Tyne NE3 3LS
<b>Bankers</b>	NatWest plc Fawcett Street Sunderland Tyne & Wear SR1 1SB

# **Whitburn Church of England Academy**

## **Trustees Report for the Year Ended 31 August 2020**

The governors present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2019 to 31 August 2020. 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 11 to 18 serving Whitburn and the surrounding area. It has a pupil capacity of 1,285 and had a roll of 1,229 in the January 2020 school census (May Census cancelled due to Pandemic).

### **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 charitable company is known as Whitburn Church of England Academy.

The governors are the trustees of Whitburn Church of England Academy and are also the directors of the charitable company for the purposes of company law. Details of the governors who served during the year 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.

#### **Governors' indemnities**

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.

#### **Method of recruitment and appointment or election of governors**

The majority of governors are either appointed by the members or elected through a process determined by the members. The Governing Body makes all necessary arrangement for the election or, if required, appointment of Parent Governors. The Local Authority may appoint the LA Governor. The Principal is an ex officio governor.

The governors, with the consent of the Diocesan Board of Education may appoint up to 2 Co-opted Governors for such a term not exceeding four years.

The term of office for any governor (other than co-opted) is four years, although this time limit does not apply to the Principal or the Incumbent. Any governor may be re-appointed or re-elected for a further term provided that he/she continues to meet the eligibility criteria.

# **Whitburn Church of England Academy**

## **Trustees Report for the Year Ended 31 August 2020 (continued)**

### **Policies and procedures adopted for the induction and training of governors**

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

### **Organisational structure**

During the year the academy continued to operate a unified management structure. The structure consists of four levels: the Governors, the Senior Management Team, the Senior Leadership Team, and the Operations Management Team. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

Governors - review the working of all sub committees. Meetings are convened by the Clerk to the Governors/Committee in consultation with the Chair of the committee and the Principal. An agenda is prepared by the Clerk to the Governors/Committee and distributed together with any supporting papers in accordance with current regulations. Minutes of all committee meetings are kept, including the names of those present. Minutes are taken by the Clerk to the Governors and are presented to the next appropriate meeting of the Governing Body. The Chair and Vice-Chair are elected at the first meeting of the committee following the annual review of committees.

Finance, Audit and Risk Committee - draw up and approve each year the academy budget. They have responsibility for all matters relevant to the financial management of the academy, including the monitoring and review of the progress of the academy budget.

Staffing Committee - To consider and take action on all matters relating to the appointment of staff especially in relation to shortlisting and interviewing of candidates for senior teaching and support staff positions at the Academy. To consider and determine all matters relating to the staffing structure of the Academy, including the grading of posts, promotions and adjustments required to ensure curriculum delivery and where appropriate, to refer decisions to the Finance, Audit and Risk Committee for their consideration of the allocation of appropriate finance.

Senior Management Team (SMT) - consists of the Principal, Senior Deputy Headteacher, Deputy Headteacher and 3 Assistant Headteachers, supported by the Chief Financial Officer, who control the academy finances at an executive level implementing the policies laid down by the governors and reporting back to them. This group is responsible for the authorisation of spending within agreed budgets and the recruitment of staff for posts in the Senior Leadership Team, though appointments at this level will always be made by Staffing Committee which includes governors. Some spending control is devolved to members of the Senior Leadership Team, with limits above which the Principal or Senior Deputy Headteacher, or an appropriate member of the SMT must countersign for.

Senior Leadership Team (SLT) - the Senior Management Team (as noted above and on page 1) are supported by a broader Senior Leadership Team which is comprised of the most senior middle leaders and SENCO and make key decisions about teaching and learning.

Middle Management - consists of Heads of Subject who have responsibility for holding departmental budgets and Heads of Learning who have a pastoral and academic overview of their respective year groups.

## **Whitburn Church of England Academy**

### **Trustees Report for the Year Ended 31 August 2020 (continued)**

Operations Management Team - includes the SMT, Data Manager, Office Manager, Network Manager and Senior Site Supervisor. Meetings are weekly to discuss all operational matters and review the performance of all events.

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

The Staffing Committee will determine the Individual School Range (ISR) for a Principal when it intends to make a new appointment or at any other time if it is considered necessary to retain the Principal. The ISR will be reviewed at each annual salary review on 1 September.

The Governing Body regards the School Teachers' Pay and Conditions (STPC) and considers setting the ISR within the group relevant to the academy's unit total. The Governing Body may award discretionary payments up to a maximum of 25% of the current salary point in the following circumstances;

- a) without such additional payments the relevant body considers that the academy would have substantial difficulty filling the relevant Principal post;
- b) without such additional payments the relevant body considers that the academy would have substantial difficulty retaining the current Principal; or
- c) the Principal is appointed as a temporary Principal in one or more additional schools.

#### **Pay ranges for Senior Deputy, Deputy and Assistant Headteachers**

The Staffing Committee will determine the pay range for a Senior Deputy Headteacher, Deputy Headteacher or Assistant Headteacher when it intends to make a new appointment or at any other time where there is a significant change in the responsibilities of the current postholder. The pay range will be reviewed at each annual salary review on 1 September.

The Principal Pay Range is: L30 – 41

The Senior Deputy Headteacher Pay Range is L24 - 26

The Deputy Headteacher Pay Range is: L19 - 23

The Assistant Headteacher Pay Range is: L14 - 18

The Directors, SENCO, Pay Range is L9 - 13

The Governing Body will normally appoint new leadership teachers at the bottom point of the relevant range.

The Governing Body will pay teachers as a Principal, Senior Deputy, Deputy or Assistant Headteachers only where the Governing Body is satisfied that, in the context of the teacher's duties, the role includes a significant responsibility that is not required of all classroom teachers or Teaching and Learning Responsibility (TLR) holders, and that the role:

- a. is focused on teaching and learning;
- b. requires the exercise of professional skills and judgement;
- c. requires the teacher to lead and manage the academy through:
  - development of teaching and learning priorities across the academy;

## Whitburn Church of England Academy

### Trustees Report for the Year Ended 31 August 2020 (continued)

- accountability for the standards of achievement and behaviour of pupils across the academy;
  - accountability for the planning and deployment of the academy's resources;
  - leading policy development and implementation across the academy in accordance with statutory provisions;
  - managing whole school operational activity;
  - working with external bodies and agencies; and
  - securing pupils' access to their educational entitlements;
- d. has an impact on educational progress of the school's pupils;
- e. involves leading, developing and enhancing the teaching practice of the school's staff; and
- includes line management responsibility for a significant number of people and /or line management of

In the case of the Principal, Senior Deputy and Deputy Headteacher posts the Governing Body must also be satisfied that this significant responsibility features a job weight which exceeds that expected of an Assistant Headteacher employed in the same school, including responsibility for discharging in full the responsibilities of the Principal in the absence of the Principal.

#### Trade union facility time

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, where an academy trust has more than 49 full time equivalent employees throughout any 7 months within the reporting period, it must include information included in Schedule 2 of the Regulations. The information to be published consists of four tables.

#### Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
3	3

#### Percentage of time spent on facility time

Percentage of time	Number of employees
0%	2
1%-50%	1
51%-99%	0
100%	0

## Whitburn Church of England Academy

### Trustees Report for the Year Ended 31 August 2020 (continued)

Percentage of pay bill spent on facility time

Provide the total cost of facility time	£ -
Provide the total pay bill	£ -
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) × 100	N/A

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) × 100	N/A
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#### Related parties and co-operation with other organisations

The academy works closely with feeder primary schools in the area to ensure pupils benefit from a smooth transition into secondary education. The academy has been awarded teaching school status and the operations of the teaching school alliance with Prince Bishop Teaching School Alliance are included within these financial statements.

The teaching school operations separated during the 18/19 financial year so that the teaching schools based at Whitburn and Benedict Biscop now operate separately. This arrangement started on January 1 2019. From this point onwards it has been agreed that the collaborative grant would be shared equally allowing each party to operate independently and retain any surplus generated (rather than the previous 'sharing' arrangement).

#### OBJECTIVES AND ACTIVITIES

##### Objects and aims

The principal activity is the operation of Whitburn C of E Academy to provide free education for young people between the ages of 11 and 18 of all abilities, based on an inclusive, balanced and broad curriculum.

The Governing Body and staff of the academy are committed to providing an outstanding education, which will support children's particular needs and encourage development of their academic, social and intellectual understanding.

We strive to make our motto "Excellence for All" a reality in order that the young people of this academy are given the best possible opportunity to succeed in life.

We pride ourselves in nurturing confident, responsible, kind young people who are well equipped to take on the challenges of further education and employment and to achieve a fulfilling life.

The academy has a unique ethos, which encapsulates that which we seek to provide for our pupils. This is ingrained in our Ethos Statement and Whitburn Principles.



# **Whitburn Church of England Academy**

## **Trustees Report for the Year Ended 31 August 2020 (continued)**

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 specifies, amongst other things, the basis for admitting students to the academy, the catchment area from which the students are drawn, and that the curriculum should comply with the substance of the national curriculum.

The main objectives of the academy during the year ended 31 August 2020 are summarised below:

Strategic Aim 1: Progress 8 score to be positive for 2020/2021. A Level average grade B-. Increased proportion of students gaining grades 5+ in English and Maths. Close gaps in progress between PP and SEND students and their peers.

Strategic Aim 2: Gaps in achievement and progress between groups of pupils (especially disadvantaged pupils) and other pupils continue to close so that "Excellence for all" is achieved.

Strategic Aim 3: Teachers have a full understanding of the different ways in which children learn.

Strategic Aim 4: All schemes of work have been reviewed and all teachers can articulate the intent of the curriculum in their subject and how the implementation meets that intent. The level of challenge at KS3 is consistent and challenging so that learning fully prepares students for the demands of KS4 and beyond.

Strategic Aim 5: The Rewards and Behaviour policy reflects and supports the ethos of the school, focussing on positive behaviours. Students clearly understand the ethos of the school and the importance of positive contributions. They have a sense of pride in the school, themselves and their learning. Staff and Governors model the ethos at all times.

Strategic Aim 6: Ensure that the implementation of the curriculum is supported by deep knowledge of the way in which we learn and high levels of subject expertise. KS3 curriculum is going through ongoing review so is ambitious and appropriately challenging for all.

Strategic Aim 7: Explore opportunities for joining a MAT to ensure the long term financial viability of the school.

Strategic Aim 8: Staff and Students can make direct links between the vision and practice of the schools distinctive Christian values.

### **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 governors 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 governors have considered this guidance in deciding what activities the academy should undertake.

# Whitburn Church of England Academy

## Trustees Report for the Year Ended 31 August 2020 (continued)

### STRATEGIC REPORT

#### Achievements and performance

The achievements and performance of the school need to be set in the context of the impact of Covid-19. The school closed on 18th March but remained open for key workers and vulnerable children. The school provided remote learning for all year groups throughout closure and successfully and safely reopened in September. The school continues to provide remote learning for those self-isolating and online teaching for key year groups.

The school supported students throughout the cancellation of exams and challenged where appropriate any grades that were unduly and unfairly awarded.

The academy was subject to a SIAMS inspection in May 2019 and a full Ofsted inspection in December 2019.

The SIAMS inspection has rated the academy as good and the Principal and governors have ensured plans are in place to ensure that the Christian ethos of the school becomes more embedded in all activities.

Throughout 2019 and into 2020 the Academy continued working with the ESFA, and organised a further SRMA report to evaluate any progress made since their initial involvement. The further review by the SRMA took place from March 2020 and the recommendations contained in the report have all been acted upon. Those included a review of all large contracts such as energy and insurance and to ensure that a register of all such contracts is maintained. Purchasing controls within the academy have also been reviewed and improved where necessary. The SMRA has since concluded her work with us and found a much-improved position at the Trust in respect of both the financial position and broader financial governance issues.

The Ofsted inspection, carried out under the new guidelines in place from September 2019, rated the school as good overall. The academy retained its excellent rating for pupil development and the Principal and governors are ensuring that plans are in place to improve the areas identified in the report; mainly pupil progress and governance.

Whitburn C of E Academy continues to be heavily oversubscribed for places in the Year 7. There were a total of 1,223 pupils and students on roll from September 2019.

#### Headlines

3 year mean values for GSCE key performance indicators:

- Attainment 8 = 51.81
- Progress 8 = -0.07
- Basics (pass in both English and Maths at GCSE) = 77.4%
- EBacc passes = 19.9%

## Whitburn Church of England Academy

### Trustees Report for the Year Ended 31 August 2020 (continued)

Sixth Form headlines:

- Average points score = 35.4
- Average grade = C+
- % A levels AAB or higher (2+ facilitating subjects) = 14.6%
- Value added = +0.19

Pupil Attendance Data

KPI	2016-17	2017-18	2018-19	2019-20
% Absence	3.8%	3.7%	4.59%	7.09%
% Persistent absence	5.4%	5.1%	5.6%	0.96%

Staffing /Finance Data HCSS - Key performance indicators

KPI	2015-16	2016-17	2017-18	2018-19	2019-20
Salary costs to ESFA Revenue Income %	89.31%	88.00%	89.00%	92.8%	92.3%
Salary costs to total income	79.04%	83.00%	76.60%	80.1%	84.9%
Salary costs as % Total Expense	77.80%	80.00%	75.10%	73.8%	78.4%
FTE Teaching staff	68.8	76.6	70.9	72.1	72.1
FTE Support staff	43.3	34.2	40.8	47.4	46.6

#### Financial review

##### Going concern

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

# Whitburn Church of England Academy

## Trustees Report for the Year Ended 31 August 2020 (continued)

### Promoting the success of the company

Under section 172(1)(a) to (f) of the Companies Act 2006, directors of a company must act in a way most likely to promote the success of the company, and in doing so must act in a way most:

- the likely consequences of any decision in the long term
- the interests of the company's employees
- the need to foster the company's business relationships with suppliers, customers and others
- the impact of the company's operations on the community and the environment
- the desirability of the company maintaining a reputation for high standards of business conduct
- the need to act fairly as between members of the company

### Principal funding

Most of the academy's income is obtained from the Department of 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 2020 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The academy also receives grants for fixed assets from the DfE/ESFA. In accordance with The Charities SORP (FRS102), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

Other income is derived from catering and payments made by parents for music tuition, trips and uniform etc.

During the year ended 31 August 2020, total expenditure of £7,330,000 (2019: £7,281,000) was in excess of recurrent grant funding from the DfE/ESFA together with other incoming resources. The excess of expenditure over income for the year (before transfers and actuarial gains, and excluding restricted fixed asset fund movements) was £166,000 (2019: £260,000).

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

At 31 August 2020 the net book value of fixed assets was £14,410,000 (2019: £14,790,000) and movements in tangible fixed assets are shown in note 11 to the Financial Statements. The assets were used exclusively for providing education and the associated support services to the students of the academy.

The provisions of Financial Reporting Standard (FRS) 102 have been applied in full in respect of the LGPS pensions scheme, resulting in a deficit of £3,014,000 (2019: £1,860,000) recognised on the balance sheet.

The academy held negative fund balances at 31 August 2020 of (£381,000) (2019: (£428,000)) comprising (£381,000) (2019: (£428,000)) of restricted funds and (£nil) (2019: (£nil)) of unrestricted funds.

# Whitburn Church of England Academy

## Trustees Report for the Year Ended 31 August 2020 (continued)

### Financial and risk management objectives and policies

The academy has developed a risk management strategy and has a risk register which includes the potential financial risks. As part of developing the register, key risks to which the Trust may be exposed were identified and reviewed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

Key financial policies have been adopted and reviewed throughout the year. These detail the framework for financial management, including financial responsibilities of the board, chief executive and budget holders, as well as outlining the authority for spending. Finances are reviewed each term by the finance and general purposes committee, evaluating performance against budgets and overall expenditure.

### 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 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 the governors regularly throughout the year. The minimum level of reserves for the ongoing needs of the academy is reviewed by the governors 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 governors therefore consider it prudent to hold unrestricted reserves in the general fund in the form of free reserves (total funds less the amount held in fixed assets and restricted funds) of £45,000.

This is considered sufficient to cover:

- a. future cash flow requirements and capital procurements; and
- b. protection so that it has the ability to adjust quickly to financial circumstances, such as large unbudgeted expenditure, cyclical maintenance and working capital.

The academy's current level of available (restricted general and unrestricted) reserves are in deficit by £336,000 and therefore are considered to be below the level of reserves required for the ongoing needs of the academy. This situation was largely the result of the opening of the sixth form in September 2015 whereby costs were incurred in the set-up phase prior to it being at full capacity, with no start-up funding provided. The academy also suffered a year-on-year reduction in GAG funding for year 7-11 pupils through the phased elimination of the Educational Services Grant. In addition the Academy has continued to be funded at minimum per pupil rates (at least £200 per pupil lower than any neighbouring schools) which presents a significant financial challenge. Further information regarding plans to rebuild reserves are included within note 1 - Going Concern.

# **Whitburn Church of England Academy**

## **Trustees Report for the Year Ended 31 August 2020 (continued)**

### **Investment policy**

The academy maintains funds in a current account with a sweeping arrangement giving a daily balance of £10,000 to provide for day-to-day operation; the remainder of funds are held in an interest bearing account.

### **Plans for future periods**

The academy is currently working with the Diocesan Board of Education to actively consider a range of possible options to ensure the sustainability of the school and this includes the possibility of joining a suitable and compatible MAT. All options here are aimed at improving the academy's financial position through achieving economies of scale, particularly through shared staffing costs. This is whilst ensuring the school's ethos and values and our continued excellent education provision are safeguarded.

### **Principal risks and uncertainties**

The principal risks and uncertainties are centred on changes in the level of funding from the 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 governors have assessed the major risks to which the academy is exposed, in particular those relating to operating under Covid-19 guidelines and those specifically relating to teaching, provision of facilities and other operational areas of the academy, and its finances. The governors 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 now has in place an effective system of internal financial controls. Although there were some issues identified during the prior year, governors have ensured a tightening of those controls and systems improvements.

The academy has fully implemented the requirements of the Safer Recruitment procedures and all staff have received training in this area in addition to training on Child Protection and keeping children safe in education.

### **Fundraising**

General charitable fundraising of the kind envisaged under the provisions of the Charities (Protection and Social Investment) Act 2016 represent a very small part of the Academy's activities and income, and is generally restricted to fundraising for specific events such as school fairs and performances. Other fundraising is for specific expenditure to support educational activities. Professional fundraisers are not used and there is therefore no monitoring required in this area.

Complaints regarding fundraising would be dealt with in accordance with the Academy's Complaint Policy, available on the website.

# Whitburn Church of England Academy

## Trustees Report for the Year Ended 31 August 2020 (continued)

### FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

We have received funds of £20,000 as part of our teaching school status, as the grant funding for 2019-20

#### Statement as to disclosure of information to auditor

The governors have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the governors have confirmed that they have taken all the steps that they ought to have taken as governors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

#### Auditor

Insofar as the governors are aware:

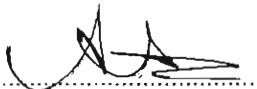
- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

#### Reappointment of auditor

During the year MHA Tait Walker were appointed as auditors replacing RSM UK Audit LLP.

The auditors MHA Tait Walker are deemed to be reappointed under section 487(2) of the Companies Act 2006.

The trustees report, incorporating a Strategic Report, was approved by order of the members of the Governing Body on 31.12.20 and signed on its behalf by:



A L Tobin  
Trustee

# Whitburn Church of England Academy

## Governance Statement

### Scope of responsibility

As governors we acknowledge we have overall responsibility for ensuring that Whitburn Church of England 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.

The governing body has delegated the day-to-day responsibility to the Principal, 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 Whitburn Church of England Academy and the Secretary of State for Education. They are also responsible for reporting to the governing body any material weaknesses or breakdowns in internal control.

### Governance

The information on governance included here supplements that described in the Governors' report and in the statement of Governors' Responsibilities. The full governing body has met 9 times, 3 of which were special meetings, during the year, effective control has been maintained through those meetings and meetings of the various sub-committees as detailed below.

Attendance during the year at meetings of the governing body was as follows:

<b>Governors</b>	<b>Attendance – Full Governing Body %</b>	<b>Apologies accepted</b>	<b>Attendance Committees %</b>	<b>Apologies accepted</b>
Mrs S Beech	89	1	83	1
Mr I Fawdon	100	0	83	1
Mr B Morris	89	1	100	0
Miss C Alder	56	4	100	0
Mrs M Small	100	0	100	0
Mr Paul Woolston	100	0	100	0
Mrs A Tobin	100	0	100	0
Mr L Williamson	88	1	100	0
Cllr J Welsh	33	6	0	2
Mr J Crowe	100	0	100	0
Mr N Clougher	100	0	100	0
Mr TCW Mulford	100	0	100	0
Mrs J Mulley (resigned 16 Dec 2019)	50	1	80	1



# **Whitburn Church of England Academy**

## **Governance Statement (continued)**

### **Governance reviews**

During the year, an external review of governance was commissioned by the Academy and undertaken by a National Leader of Governance. This review identified a number of weaknesses, which were reported at the governors' meeting on 7 January 2020. All of the recommendations have been accepted and the majority have been implemented. Some of the more strategic actions have been delayed due to the pandemic and governors have prioritised these for 2020/21.

The National Leader has agreed that changes implemented as a result of the plan have had a positive impact on the Academy and has confidence that the Governing Body are now operating effectively and will continue to do so. The two of the most significant recommendations which were implemented were the appointment of a new Chair and Vice Chair of the governing body and the creation of a new finance, audit and risk committee.

The Finance Audit and Risk committee is a sub-committee of the main governing body. Its purpose is to ensure sound management of the Academy's finances and resources including proper planning, monitoring, probity and value for money. It advises the Board on the adequacy and effectiveness of the Academy's governance, risk management, internal control and value for money systems and frameworks. It also advises on the appointment, re-appointment, dismissal and remuneration of the external auditor and on the need for and then, where appropriate, the appointment, re-appointment, dismissal and remuneration of an internal auditor or other assurance provider.

### **Review of value for money**

As accounting officer the Principal 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 governing body where value for money can be improved, including the use of benchmarking data where available. The school uses the Integrated Curriculum and Financial Planning (ICFP) tool to ensure VFM from the curriculum. The accounting officer for the academy has delivered improved value for money during the year by:

### **Improving educational results:**

- To ensure that standards are continually raised, the Academy:
- Operated a focused and developmental programme of lesson observations to ensure high quality teaching;
- Developed an updated target setting system to motivate pupils and to benchmark progress in relation to the GCSE grading system;
- Tracked pupil progress at regular intervals to intervene if progress slowed;
- Regular revision sessions were held after school, during holiday periods and weekends; and
- Underachieving pupils were allocated a senior member of staff as a mentor.

# Whitburn Church of England Academy

## Governance Statement (continued)

### Targeted improvement:

Staffing structure is deployed to support an improved curriculum. Some examples prior to Covid-19 closure are:

- Pre and after school booster sessions were in place as well as 'master classes' during lessons' time in mathematics;
- Support staff who are trained in Read Write Inc programme provide sessions before and after school to meet the needs of pupils in Numeracy and Literacy, particular those on the SEN register or the Pupil Premium cohort; and
- Targeted support for Year 7 pupils who came to the school below national expectations in reading and/ or maths was provided, in line with the Government's 'Year 7 catch up Premium'

During the lockdown all pupils were contacted at least twice and those pupils who are vulnerable or on the SEN register were contacted weekly.

### Focus on individual pupils:

The impact of the Pupil Premium funding has been to support and enhance our existing intervention strategies for pupils who would otherwise have been disadvantaged and has allowed them to experience the full range of opportunities offered. This has clearly been impacted by the lockdown but some examples are:

- Year 7 Catch Up sessions (including all those pupils arriving at school at below expectations in reading and/or mathematics - funded through Year 7 Literacy and Numeracy Catch-Up Premium);
- Small group and one to one support using additional specialist Maths and English teaching staff, during lessons;
- Booster sessions in Maths and English before school and Master classes, during lessons;
- Lunchtime Numeracy and Literacy sessions delivered to year 8 and 9 pupils;
- Subsiding school trips;
- Support with uniform purchase;
- Purchasing lesson specific materials - e.g. Food Technology ingredients, Art materials, calculators, revision guides, texts;
- Personalised provision (Offsite/Vocational Learning);
- Financial assistance for additional Music tuition or purchase of musical equipment;
- Additional counselling (to address wellbeing and as a consequence help remove barriers to learning);
- Nurture group to support vulnerable pupils in the transition to secondary;
- Provisions of Kindles, laptops and internet access especially during lockdown
- Enabling through the contribution of extra funds the provision of whole school resources to support learning including MyMaths, GCSE PoD, Mathswatch and the Accelerated Reading programme; and
- Additional Careers guidance to address PP aspiration.

# Whitburn Church of England Academy

## Governance Statement (continued)

Whilst the Pupil Premium provides us with much needed additional funding, we always focus on the individual needs of pupils regardless of their background and devote appropriate resources to ensure that all pupils can achieve.

### Collaboration:

The school has Teaching School Status. The partnership with Benedict Biscop ended during the 2018/19 year and the school now operates independently as a teaching school.

### Financial governance and oversight:

As Accounting Officer I have 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 our SRMA advisor
- the work of our internal assurance provider
- the work of the external auditor; and
- the work of the senior leaders within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The academy's system of internal financial control is based on the ESFA 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 monthly financial reports which are reviewed and agreed by governors;
- regular reviews by the Finance Audit and Risk committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties; and
- identification and management of risks.

### Better purchasing:

A register of all services and contracts is in development and all contracts are appraised or renegotiated in a timely manner to get the best mix of quality and effectiveness. All new contracts are assessed to assure the most appropriate contract term to benefit the Academy in terms of value for money.

# Whitburn Church of England Academy

## Governance Statement (continued)

### Options appraisal:

The Governors and Senior Management Team apply the principles of best value when making decisions about:

- the allocation of resources including the use of ICFP to best promote the aims and values of the school;
- the targeting of resources to best improve standards and the quality of provision;
- the use of resources to best support the various educational needs of all pupils; and
- the Academy has developed procedures for assessing need, and obtaining goods and services which provide "best value" in terms of suitability, efficiency, time, and cost.

Measures in place include:

- competitive tendering procedures;
- procedures for accepting "best value" quotes, which are not necessarily the cheapest (e.g. suitability for purpose and quality of workmanship); and
- procedures which minimise office time by the purchase of goods or services under £1000 direct from known, reliable suppliers (e.g. stationery, small equipment).

### Better income generation:

The academy was in partnership with Schools Letting Solutions until September 2020. In October 2020 we contracted with a new lettings partner, Education and Community Lettings, an organisation that will market and generate income through the hire of the academy facilities.

### Reviewing controls and managing risks:

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 Governors;
- regular reviews by the Finance, Audit and Risk 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; and
- identification and management of risks.

The governors have 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 governors are of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks; this process will be regularly reviewed by the governors.

# **Whitburn Church of England Academy**

## **Governance Statement (continued)**

Our annual development plan sets out the strategies we will use to provide the best possible education for young people of all abilities, based on an inclusive, balanced and broad curriculum. On that basis we constantly review and refine our practice. An evaluation of the impact of the development plan always then informs the next year's plan.

### **The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy 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 Whitburn Church of England Academy for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

### **Capacity to handle risk**

The Board of Governors 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 Governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks that has been in place for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Governors.

### **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 monthly financial reports which are reviewed and agreed by the governing body;
- regular reviews by the finance and learning 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; and
- Identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed MHA Tait Walker to undertake supplementary procedures on the Academy Trust's financial systems.

Following the revised FRC Ethical Standards which prohibited a firm providing external audit to an entity to also provide internal audit services, a procurement exercise will be undertaken to appoint new internal auditors for the upcoming financial year.

# Whitburn Church of England Academy

## Governance Statement (continued)

On a termly basis, MHA Tait Walker report to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and annually 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.

### Review of effectiveness

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

- the work of the external auditor;
- the work of the internal assurance provider;
- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.
- The report by the SRMA which was carried out during the Summer of 2020

The accounting officer has been advised of the implications of the result of the review of the system of internal control by the finance, audit and risk committee and a plan to address findings and ensure continuous improvement of the system is in place. In addition, A full external review of governance in response to the findings has been undertaken and recommendations from this review and have been fully acted upon.

Approved by order of the members of the Governing Body on 15.12.20 and signed on its behalf by:



A L Tobin  
Trustee

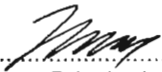
## Whitburn Church of England Academy

### Statement on Regularity, Propriety and Compliance

As Accounting Officer of Whitburn Church of England Academy I have considered my responsibility to notify the academy trust Governing Body and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the academy trust Governing Body are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2019.

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 Governing Body and ESFA.

  
.....  
J Crowe, Principal and Accounting Officer  
Accounting officer

Date: 16/12/20

# Whitburn Church of England Academy

## Statement of Trustees' Responsibilities

The governors (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 governors to prepare financial statements for each financial year. Under company law the governors 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 governors are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the 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 governors 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 governors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board on 15/12/20 and signed on its behalf by:



A L Tobin  
Trustee



## **Whitburn Church of England Academy**

### **Independent Auditor's Report on the Financial Statements to the Members of Whitburn Church of England Academy**

#### **Opinion**

We have audited the financial statements of Whitburn Church of England Academy (the 'academy trust') for the year ended 31 August 2020, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020.

#### **Basis for opinion**

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

#### **Material uncertainty related to going concern**

We draw attention to note 1 in the financial statements, which indicates that the academy incurred a net deficit movement on funds of £1,484,000 during the year ended 31 August 2020. After adjusting for capital movements of £412,000, the actuarial impact of FRS 102 S28 pension adjustment of £927,000 and the expenditure impact of FRS 102 S28 pension adjustment of £227,000, the academy generated an operational surplus of £82,000. As at the year end 31 August 2020, the academy's current liabilities exceeded its current assets by £308,000. As stated in note 1, these events or conditions, along with other matters as set forth in note 1, indicate that a material uncertainty exists that may cast significant doubt on the academy's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

#### **Other information (covers the Reference and Administrative Details, the Trustees Report and the Governance Statement)**

The governors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

## **Whitburn Church of England Academy**

### **Independent Auditor's Report on the Financial Statements to the Members of Whitburn Church of England Academy (continued)**

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees Report 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees Report.

We have nothing to report in respect of the following matters where 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 governors remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of governors**

As explained more fully in the Statement of Trustees' Responsibilities set out on page 22, the governors 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 governors 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 governors are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the governors either intend to liquidate the academy trust or to cease operations, or have no realistic alternative but to do so.

## Whitburn Church of England Academy

### Independent Auditor's Report on the Financial Statements to the Members of Whitburn Church of England Academy (continued)

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

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### Use of our report

This report is made solely to the academy trust's governors, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy trust's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy trust and its governors, as a body, for our audit work, for this report, or for the opinions we have formed.

*MHA Tait Walker*

Brian Laidlaw BA CA (Senior Statutory Auditor)  
For and on behalf of MHA Tait Walker  
Chartered Accountants  
Statutory Auditor  
Bulman House  
Regent Centre  
Gosforth  
Newcastle upon Tyne  
NE3 3LS

Date: *17th December 2020*

MHA Tait Walker is a trading name of Tait Walker LLP.

## **Whitburn Church of England Academy**

### **Independent Reporting Accountant's Report on Regularity to Whitburn Church of England Academy and the Education and Skills Funding Agency**

In accordance with the terms of our engagement letter dated and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Whitburn Church of England Academy during the period 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

#### **Respective responsibilities of the Governing Body's accounting officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of the Governing Body's funding agreement with the Secretary of State for Education dated and the Academies Financial Handbook extant from 1 September 2019, 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 2019 to 2020. 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 from 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

#### **Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- Review of Governing Body and committee minutes;
- Review of termly Internal Assurance reports;
- Completion of self assessment questionnaire by Accounting Officer;
- Discussions with the Accounting Officer and finance team;
- Review documentation provided to Governors and Accounting Officer setting out responsibilities;
- Obtained formal letter of representation detailing the responsibilities of Governors;
- 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;

## Whitburn Church of England Academy

### Independent Reporting Accountant's Report on Regularity to Whitburn Church of England Academy and the Education and Skills Funding Agency (continued)

- Review cash payments for unusual transactions;
- Review of credit card transactions;
- Review of register 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;
- Consideration of governance issues.

#### Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year from 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

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

*MHA Tait Walker*

MHA Tait Walker  
Chartered Accountants  
Bulman House  
Regent Centre  
Gosforth  
Newcastle upon Tyne  
NE3 3LS

Date: *17th December 2020*

MHA Tait Walker is a trading name of Tait Walker LLP.

## Whitburn Church of England Academy

### Statement of Financial Activities for the Year Ended 31 August 2020 (including Income and Expenditure Account)

	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total 2020 £ 000
<b>Income and endowments from:</b>					
Donations and capital grants	2	98	-	26	124
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	188	6,239	-	6,427
Teaching schools	29	50	20	-	70
Other trading activities	4	133	19	-	152
<b>Total</b>		<b>469</b>	<b>6,278</b>	<b>26</b>	<b>6,773</b>
<b>Expenditure on:</b>					
<i>Charitable activities:</i>					
Academy trust educational operations	7	85	6,813	417	7,315
Teaching schools	29	15	-	-	15
<b>Total</b>		<b>100</b>	<b>6,813</b>	<b>417</b>	<b>7,330</b>
Net income/(expenditure)		369	(535)	(391)	(557)
Transfers between funds		(334)	355	(21)	-
<b>Other recognised gains and losses</b>					
Actuarial gains/(losses) on defined benefit pension schemes	26	-	(927)	-	(927)
Net movement in funds/(deficit)		35	(1,107)	(412)	(1,484)
<b>Reconciliation of funds</b>					
Total funds/(deficit) brought forward at 1 September 2019		10	(2,288)	14,790	12,512
Total funds/(deficit) carried forward at 31 August 2020		<b>45</b>	<b>(3,395)</b>	<b>14,378</b>	<b>11,028</b>

## Whitburn Church of England Academy

### Statement of Financial Activities for the Year Ended 31 August 2019 (including Income and Expenditure Account)

	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total 2019 £ 000
<b>Income and endowments from:</b>					
Donations and capital grants	2	8	82	42	132
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	404	5,788	-	6,192
Teaching schools	29	97	27	-	124
Other trading activities	4	193	-	-	193
Investments	5	1	-	-	1
<b>Total</b>		<b>703</b>	<b>5,897</b>	<b>42</b>	<b>6,642</b>
<b>Expenditure on:</b>					
<i>Charitable activities:</i>					
Academy trust educational operations	7	354	6,408	421	7,183
Teaching schools		56	42	-	98
<b>Total</b>		<b>410</b>	<b>6,450</b>	<b>421</b>	<b>7,281</b>
Net income/(expenditure)		293	(553)	(379)	(639)
Transfers between funds		(252)	252	-	-
<b>Other recognised gains and losses</b>					
Actuarial gains/(losses) on defined benefit pension schemes	26	-	(760)	-	(760)
Net movement in funds/(deficit)		41	(1,061)	(379)	(1,399)
<b>Reconciliation of funds</b>					
Total (deficit)/funds brought forward at 1 September 2018		(31)	(1,227)	15,169	13,911
Total funds/(deficit) carried forward at 31 August 2019		10	(2,288)	14,790	12,512

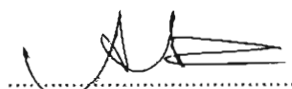
# Whitburn Church of England Academy

(Registration number: 07465520)

## Balance Sheet as at 31 August 2020

	Note	2020 £ 000	2019 £ 000
<b>Fixed assets</b>			
Tangible assets	11	14,410	14,790
<b>Current assets</b>			
Stocks	12	2	4
Debtors	13	160	227
Cash at bank and in hand		65	28
		<u>227</u>	<u>259</u>
Creditors: Amounts falling due within one year	14	<u>(535)</u>	<u>(677)</u>
Net current liabilities		<u>(308)</u>	<u>(418)</u>
Total assets less current liabilities		14,102	14,372
Creditors: Amounts falling due after more than one year	15	<u>(60)</u>	<u>-</u>
Net assets excluding pension liability		14,042	14,372
Pension scheme liability	26	<u>(3,014)</u>	<u>(1,860)</u>
Net assets including pension liability		<u>11,028</u>	<u>12,512</u>
<b>Funds of the Academy:</b>			
<b>Restricted funds</b>			
Restricted income fund	16	(381)	(428)
Restricted fixed asset fund	16	14,378	14,790
Restricted pension fund	16	<u>(3,014)</u>	<u>(1,860)</u>
		10,983	12,502
<b>Unrestricted funds</b>			
Unrestricted income fund	16	<u>45</u>	<u>10</u>
Total funds		<u>11,028</u>	<u>12,512</u>

The financial statements on pages 28 to 55 were approved by the governors, and authorised for issue on 15/12/20 and signed on their behalf by:



A L Tobin  
Trustee



## Whitburn Church of England Academy

### Statement of Cash Flows for the Year Ended 31 August 2020

	Note	2020 £ 000	2019 £ 000
<b>Cash flows from operating activities</b>			
Net cash provided by (used in) operating activities	20	(12)	(65)
<b>Cash flows from investing activities</b>	22	(11)	63
<b>Cash flows from financing activities</b>	21	<u>60</u>	<u>-</u>
<b>Change in cash and cash equivalents in the year</b>		37	(2)
<b>Cash and cash equivalents at 1 September</b>		<u>28</u>	<u>30</u>
<b>Cash and cash equivalents at 31 August</b>		<u><u>65</u></u>	<u><u>28</u></u>

# Whitburn Church of England Academy

## Notes to the Financial Statements for the Year Ended 31 August 2020

### 1 Accounting policies

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

#### Basis of preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP 2019 (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

These financial statements are prepared in sterling which is the functional currency of the entity.

#### Going Concern

During the year the Academy incurred a net deficit movement on funds of £1,484,000 which after making allowance, for capital movements of £412,000 and the impact of FRS 102 S28 pension adjustments of £927,000 and £227,000, the operational surplus is £82,000. As at the year end 31 August 2020 the deficit funds (excluding the pension deficit and fixed asset fund) were £336,000 and net current liabilities were £308,000. Included in the net current liability figure of £308,000 are available cash balances of £65,000.

This situation was largely the result of the opening of the sixth form in September 2015 whereby costs were incurred in the set-up phase prior to it being at full capacity, with no start-up funding provided. The academy also suffered a year on year reduction in GAG funding for year 7-11 pupils through the phased elimination of the Educational Services Grant. In addition, the Academy has continued to be funded at minimum per pupil rates (at least £200 per pupil lower than any neighboring schools) which presents a significant financial challenge.

The draft financial forecast to 31 August 2021 prepared by the academy trust shows that a combination of cost cutting exercises and an increased Y7-11 per pupil rate (and numbers) from 1 September 2020 will result in the commencement of recovery of cumulative deficits to date and the ability to continue to meet liabilities as they fall due.

Bank balances during the 20/21 financial year are forecast to continue at a low level as cash generated is used to pay down supplier balances however the cash and working capital position is expected to improve when compared 31 August 2020. Changes to available funding and cost cutting measures (detailed in note 16) mean the trust remain confident that it will return to larger surpluses in 20/21 and 21/22.

Beyond this point a staff restructure exercise has already been put in place that will provide additional cost savings in 22/23 and onwards (delayed benefit due to teacher pay and protection regulations).

The governors are required to assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties relating to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The governors make this assessment in respect of a period of at least one year from the date of authorisation of the financial statements.

# Whitburn Church of England Academy

## Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

### 1 Accounting policies (continued)

In making this assessment over going concern the governors acknowledge that there is a material uncertainty in relation to available cash balances in the period to December 2021, linking to forecast assumptions, a lack of available external funding and the low level of bank balances. Assumptions regarding quantum and timing have been made regarding non-core income levels, non-staff expenditure and supply staff costs. Additionally, it has been assumed that suppliers will continue to allow extended credit terms. Should these assumptions prove to be invalid then there is a risk regarding available cash balances with which to make required payments to staff and key suppliers as these payments become due.

The governors, taking account of the above have reached a conclusion, that the Academy has sufficient resources to continue in operational existence for the foreseeable future and thus they have continued to adopt the going concern basis of accounting in preparing the financial statements.

#### Income

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

#### Grants

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period 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 spent on capital projects in line with the terms and conditions of the grant. 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 period it is receivable and to the extent the academy trust has provided the goods or services.

#### Investment income

Interest receivable is included in the statement of financial activities on an accruals basis.

# Whitburn Church of England Academy

## Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

### 1 Accounting policies (continued)

#### Expenditure

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

All resources expended are inclusive of irrecoverable VAT.

#### Expenditure on raising funds

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

#### Charitable activities

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

#### Tangible fixed assets

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

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

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on either a straight-line or reducing balance basis over its expected useful lives, per the table below.

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

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

Asset class	Depreciation method and rate
Long leasehold property	2% straight line
Computer equipment	33% straight line
Fixtures and fittings	20% straight line
Motor vehicles	25% straight line

# Whitburn Church of England Academy

## Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

### 1 Accounting policies (continued)

#### Liabilities

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

#### Provisions

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

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

#### Leased assets

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

#### Financial Instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost 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. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

#### Stock

Unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

#### Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11 Chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

# Whitburn Church of England Academy

## Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

### 1 Accounting policies (continued)

#### Pension benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes. 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 trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. 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 trust in separate trustee-administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to 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.

#### Fund accounting

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

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

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

#### Critical accounting estimates and areas of judgement

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

# Whitburn Church of England Academy

## Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

### 1 Accounting policies (continued)

#### Critical accounting estimates and assumptions

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

#### Local Government Pension Scheme

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. 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.

#### Depreciation

The academy trust has made an estimate of the useful lives of the tangible fixed assets. The estimation requires the company to consider how long the asset is likely to be useful and charge the cost of the tangible fixed asset over its life to the Statement of Financial Activities. The charge for the current year was £417,000 (2019 - £421,000).

#### Critical areas of judgement

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

#### Assessing indicator of impairment.

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

#### Recognition of land and buildings

With respect to the buildings from which the academy operates, these are legally owned by the Durham Diocesan Board of Finance. Whitburn Church of England Academy is able to use the buildings under the terms of a supplemental lease agreement. A judgement is required as to whether to recognise the asset or treat it as an operating lease as an absence of a formal agreement. The assessment has been based on the substance of the arrangements including historical arrangements and understanding of legal owners intentions. As the risk and rewards of ownership have been transferred to the academy the assets have been recognised within tangible fixed assets. The initial acquisition was recognised at depreciated replacement cost by DTZ, on behalf of the Education and Skills Funding Agency.

# Whitburn Church of England Academy

## Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

### 1 Accounting policies (continued)

#### Agency accounting

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 27.

### 2 Donations and capital grants

	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2020 £ 000	Total 2019 £ 000
Educational trips and visits	98	-	-	98	28
Capital grants	-	-	26	26	104
	<u>98</u>	<u>-</u>	<u>26</u>	<u>124</u>	<u>132</u>
	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2019 £ 000	
Total 2019	<u>8</u>	<u>82</u>	<u>42</u>	<u>132</u>	



# Whitburn Church of England Academy

## Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

### 3 Funding for the Academy Trust's educational operations

	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2020 £ 000	Total 2019 £ 000
<b>DfE/ESFA revenue grants</b>					
General Annual Grant GAG	-	5,693	-	5,693	5,484
Other ESFA Group grants	-	533	-	533	296
ITT Bursaries Grants	-	-	-	-	6
	<u>-</u>	<u>6,226</u>	<u>-</u>	<u>6,226</u>	<u>5,786</u>
<b>Other government grants</b>					
Local authority grants	-	13	-	13	2
	<u>-</u>	<u>13</u>	<u>-</u>	<u>13</u>	<u>2</u>
<b>Non-government grants and other income</b>					
Other income from the academy trusts educational operations	188	-	-	188	404
Total grants	<u>188</u>	<u>6,239</u>	<u>-</u>	<u>6,427</u>	<u>6,192</u>
	<b>Unrestricted funds £ 000</b>	<b>Restricted funds £ 000</b>	<b>Restricted fixed asset funds £ 000</b>	<b>Total 2019 £ 000</b>	
Total 2019	<u>404</u>	<u>5,788</u>	<u>-</u>	<u>6,192</u>	

## Whitburn Church of England Academy

### Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

#### 4 Other trading activities

	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2020 £ 000	Total 2019 £ 000
Staff services	-	-	-	-	66
Sundry income	125	19	-	144	121
Uniform	8	-	-	8	6
	<u>133</u>	<u>19</u>	<u>-</u>	<u>152</u>	<u>193</u>
	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2019 £ 000	
Total 2019	<u>193</u>	<u>-</u>	<u>-</u>	<u>193</u>	

#### 5 Investment income

	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2020 £ 000	Total 2019 £ 000
Short term deposits	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>
	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2019 £ 000	
Total 2019	<u>1</u>	<u>-</u>	<u>-</u>	<u>1</u>	

## Whitburn Church of England Academy

### Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

#### 6 Expenditure

	Non Pay Expenditure			Total 2020 £ 000	Total 2019 £ 000
	Staff costs £ 000	Premises £ 000	Other costs £ 000		
<b>Academy's educational operations</b>					
Direct costs	4,877	417	282	5,576	5,360
Allocated support costs	870	301	568	1,739	1,823
Expenses relating to the teaching school activities	-	-	15	15	98
	<u>5,747</u>	<u>718</u>	<u>865</u>	<u>7,330</u>	<u>7,281</u>

	Non Pay Expenditure			Total 2019 £ 000
	Staff costs £ 000	Premises £ 000	Other costs £ 000	
Total 2019	<u>5,370</u>	<u>753</u>	<u>1,158</u>	<u>7,281</u>

#### Net expenditure for the year includes:

	2020 £ 000	2019 £ 000
Operating lease rentals	2	9
Depreciation	417	421
Fees payable to auditor - audit	8	11
Fees payable to auditor - other audit services	6	5
Net interest on defined benefit pension liability	<u>34</u>	<u>20</u>

#### 7 Charitable activities

	2020 £ 000	2019 £ 000
Direct costs - educational operations	5,576	5,360
Support costs - educational operations	<u>1,739</u>	<u>1,823</u>
	<u>7,315</u>	<u>7,183</u>

## Whitburn Church of England Academy

### Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

#### 7 Charitable activities (continued)

	Educational operations £ 000	Total 2020 £ 000	Total 2019 £ 000
<b>Analysis of support costs</b>			
Support staff costs	870	870	916
Technology costs	79	79	177
Premises costs	301	301	332
Legal costs	87	87	50
Other support costs	402	402	326
Governance costs	-	-	22
Total support costs	<u>1,739</u>	<u>1,739</u>	<u>1,823</u>

#### 8 Staff

##### Staff costs

	2020 £ 000	2019 £ 000
<b>Staff costs during the year were:</b>		
Wages and salaries	4,186	4,096
Social security costs	416	404
Operating costs of defined benefit pension schemes	<u>1,071</u>	<u>834</u>
	5,673	5,334
Supply staff costs	46	36
Staff restructuring costs	<u>28</u>	<u>-</u>
	<u>5,747</u>	<u>5,370</u>

##### Staff numbers

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

	2020 No.	2019 No.
<b>Charitable Activities</b>		
Teachers	71	70
Administration and support	70	66
Management	<u>5</u>	<u>7</u>
	<u>146</u>	<u>143</u>

# Whitburn Church of England Academy

## Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

### 8 Staff (continued)

#### Higher paid staff

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

	2020	2019
	No.	No.
£60,001 - £70,000	3	2
£70,001 - £80,000	1	2
£80,001 - £90,000	1	1
£90,001 - £100,000	-	-
£100,001 - £110,000	1	-

#### Key management personnel

The key management personnel of the academy trust comprise the governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £488,829 (2019 - £568,146).

### 9 Related party transactions - trustees' remuneration and expenses

One or more governors has been paid remuneration or has received other benefits from employment with the academy trust. The principal and other staff governors only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their role as governors. The value of trustees' remuneration and other benefits was as follows:

J Crowe (Headteacher and Accounting Officer):

Remuneration: £100,000 - £105,000 (2019 - £30,000 - £35,000)

Employer's pension contributions: £20,000 - £25,000 (2019 - £0 - £5,000)

N Clougher (Director):

Remuneration: £65,000 - £70,000 (2019 - £55,000 - £60,000)

Employer's pension contributions: £10,000 - £15,000 (2019 - £5,000 - £10,000)

T Mulford (Director):

Remuneration: £50,000 - £55,000 (2019 - £40,000 - £45,000)

Employer's pension contributions: £10,000 - £15,000 (2019 - £5,000 - £10,000)

A Hardie (Headteacher and Accounting Officer (resigned 22 April 2019)):

Remuneration: £Nil (2019 - £80,000 - £85,000)

Employer's pension contributions: £Nil (2019 - £10,000 - £15,000)

During the year ended 31 August 2020, travel and subsistence expenses totalling £446 (2019 - £40) were reimbursed or paid directly to 2 governors (2019 - 1).

Other related party transactions involving the governors are set out in note 27.

# Whitburn Church of England Academy

## Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

### 10 Trustees' and officers' insurance

In accordance with normal commercial practice the academy has purchased insurance to protect governors 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 for the year ended 31 August 2020 was £30,000 (2019 - £30,000).

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

### 11 Tangible fixed assets

	Long leasehold property £ 000	Fixtures and fittings £ 000	Motor vehicles £ 000	Computer equipment £ 000	Total £ 000
<b>Cost</b>					
At 1 September 2019	17,286	398	10	225	17,919
Additions	-	37	-	-	37
At 31 August 2020	17,286	435	10	225	17,956
<b>Depreciation</b>					
At 1 September 2019	2,610	293	1	225	3,129
Charge for the year	345	69	3	-	417
At 31 August 2020	2,955	362	4	225	3,546
<b>Net book value</b>					
At 31 August 2020	14,331	73	6	-	14,410
At 31 August 2019	14,676	105	9	-	14,790

### 12 Stock

	2020 £ 000	2019 £ 000
Clothing, catering supplies and stationery	2	4

### 13 Debtors

	2020 £ 000	2019 £ 000
Trade debtors	-	16
VAT recoverable	24	25
Other debtors	3	30
Prepayments	98	127
Accrued grant and other income	35	29
	160	227

## Whitburn Church of England Academy

### Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

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

	2020	2019
	£ 000	£ 000
Trade creditors	214	349
Other taxation and social security	102	101
Other creditors	1	13
Accruals	38	36
Deferred income	78	96
Pension scheme creditor	102	82
	<u>535</u>	<u>677</u>
	2020	2019
	£ 000	£ 000
<b>Deferred income</b>		
Deferred income at 1 September 2019	96	92
Resources deferred in the period	78	96
Amounts released from previous periods	<u>(96)</u>	<u>(92)</u>
Deferred income at 31 August 2020	<u>78</u>	<u>96</u>

At the reporting date the academy was holding funds received in advance for rates relief, teaching school grants and school trips.

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

	2020	2019
	£ 000	£ 000
ESFA Loan	<u>60</u>	<u>-</u>

Included within creditors: amounts falling due in more than one year is £6,697 (2019 - £nil) of creditors due in more than five years, repayable by instalments.

Loans of £27,500, from The Education & Skills Funding Agency which is provided on the following terms: The Education & Skills Funding Agency Loan - Interest free loan repayable in quarterly instalments of £6,875 from September 2022.

Loans of £32,192, from The Education & Skills Funding Agency which is provided on the following terms: The Education & Skills Funding Agency Loan - 2.01% interest per annum repayable in monthly instalments of £569.34 from August 2021.

## Whitburn Church of England Academy

### Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

#### 16 Funds

	Balance at 1 September 2019 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2020 £ 000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	(428)	5,693	(6,021)	355	(401)
Other DfE/ESFA grants	-	533	(533)	-	-
Other government grants	-	13	(13)	-	-
Teaching School	-	20	-	-	20
Other restricted funds	-	19	(19)	-	-
	<u>(428)</u>	<u>6,278</u>	<u>(6,586)</u>	<u>355</u>	<u>(381)</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	12,875	-	(307)	-	12,568
DfE group capital grants	122	26	(49)	(21)	78
Capital expenditure from GAG	50	-	(11)	-	39
Wolfson Fund	9	-	(6)	-	3
ESFA loan	-	-	(6)	-	(6)
Capital Maintenance Fund	1,734	-	(38)	-	1,696
	<u>14,790</u>	<u>26</u>	<u>(417)</u>	<u>(21)</u>	<u>14,378</u>
<b>Restricted pension funds</b>					
Pension reserve	<u>(1,860)</u>	<u>-</u>	<u>(227)</u>	<u>(927)</u>	<u>(3,014)</u>
Total restricted funds	<u>12,502</u>	<u>6,304</u>	<u>(7,230)</u>	<u>(593)</u>	<u>10,983</u>
<b>Unrestricted funds</b>					
General funds	-	419	(85)	(334)	-
Teaching School	<u>10</u>	<u>50</u>	<u>(15)</u>	<u>-</u>	<u>45</u>
Total unrestricted funds	<u>10</u>	<u>469</u>	<u>(100)</u>	<u>(334)</u>	<u>45</u>
Total funds	<u>12,512</u>	<u>6,773</u>	<u>(7,330)</u>	<u>(927)</u>	<u>11,028</u>



## Whitburn Church of England Academy

### Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

#### 16 Funds (continued)

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

	Balance at 1 September 2018 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2019 £ 000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	(372)	5,484	(5,792)	252	(428)
Other DfE/ESFA grants	-	364	(364)	-	-
Other government grants	-	2	(2)	-	-
Teaching School	15	27	(42)	-	-
Other restricted funds	-	20	(20)	-	-
	<u>(357)</u>	<u>5,897</u>	<u>(6,220)</u>	<u>252</u>	<u>(428)</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	13,182	-	(307)	-	12,875
DfE group capital grants	138	42	(58)	-	122
Capital expenditure from GAG	62	-	(12)	-	50
Wolfson Fund	15	-	(6)	-	9
Capital Maintenance Fund	1,772	-	(38)	-	1,734
	<u>15,169</u>	<u>42</u>	<u>(421)</u>	<u>-</u>	<u>14,790</u>
<b>Restricted pension funds</b>					
Pension reserve	<u>(870)</u>	<u>-</u>	<u>(230)</u>	<u>(760)</u>	<u>(1,860)</u>
<b>Total restricted funds</b>	<u>13,942</u>	<u>5,939</u>	<u>(6,871)</u>	<u>(508)</u>	<u>12,502</u>
<b>Unrestricted funds</b>					
General funds	-	606	(354)	(252)	-
Teaching School	<u>(31)</u>	<u>97</u>	<u>(56)</u>	<u>-</u>	<u>10</u>
<b>Total unrestricted funds</b>	<u>(31)</u>	<u>703</u>	<u>(410)</u>	<u>(252)</u>	<u>10</u>
<b>Total funds</b>	<u>13,911</u>	<u>6,642</u>	<u>(7,281)</u>	<u>(760)</u>	<u>12,512</u>

## Whitburn Church of England Academy

### Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

#### 16 Funds (continued)

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

General Annual Grant (GAG) must be used for the normal running costs of the academy, including salaries and related costs, overheads, repairs and maintenance and insurance. Under the funding agreement with the Secretary of the State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2020.

Other DfE/ESFA grants includes:

- \*\* Pupil Premium funding which is to be spent as the academy sees fit to support deprived students;
- \*\* Rates relief funding which is to be used against the costs of rates
- \*\* Teachers' pay grant which is to be used against the costs of teachers pay rises

Other government grants relates to Special Education Needs funding and Looked After Children funding which is to provide cover for the costs of supporting students with additional learning requirements.

Other restricted funds include funding given for a specific purpose.

Teaching School grants include Department for Education funding to assist in gaining teaching school status.

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

The academy trust is carrying a net deficit of £428,000 on restricted general funds (excluding pension reserve) plus unrestricted funds because The academy trust is taking the following action to return these funds to surplus:

- \*\* Replacement of Building management system to reduce energy wastage and reduce costs
- \*\* Review of all major supplier contracts including subcontracts
- \*\* Review of the IT function resulting in a move back in-house. This will be more cost efficient with no expected deterioration in service levels
- \*\* A freeze on all non-essential expenditure
- \*\* Staff restructuring
- \*\* No replacement of certain staff leavers unless deemed essential
- \*\* Continued investigation into the conversion to Multi Academy Trust in order to achieve greater economies of scale

Unrestricted funds include the income from catering, school trips and other sundry income streams with the relevant costs allocated accordingly.

The pension reserve is the liability due to the deficit on the Local Government Pension Scheme.

Transfers between funds represent unrestricted funds to contribute to in year deficit in GAG.

## Whitburn Church of England Academy

### Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

#### 17 Analysis of net assets between funds

Fund balances at 31 August 2020 are represented by:

	Unrestricted funds £ 000	Restricted general funds £ 000	Restricted fixed asset funds £ 000	Total funds £ 000
Tangible fixed assets	-	-	14,410	14,410
Current assets	101	126	-	227
Current liabilities	(56)	(479)	-	(535)
Creditors over 1 year	-	(28)	(32)	(60)
Pension scheme liability	-	(3,014)	-	(3,014)
Total net assets	<u>45</u>	<u>(3,395)</u>	<u>14,378</u>	<u>11,028</u>

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

	Unrestricted funds £ 000	Restricted general funds £ 000	Restricted fixed asset funds £ 000	Total funds £ 000
Tangible fixed assets	-	-	14,790	14,790
Current assets	82	177	-	259
Current liabilities	(72)	(605)	-	(677)
Pension scheme liability	-	(1,860)	-	(1,860)
Total net assets	<u>10</u>	<u>(2,288)</u>	<u>14,790</u>	<u>12,512</u>

#### 18 Capital commitments

	2020 £ 000	2019 £ 000
Contracted for, but not provided in the financial statements	<u>-</u>	<u>32</u>

#### 19 Commitments under operating leases

##### Operating leases

At 31 August 2020 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2020 £ 000	2019 £ 000
Amounts due within one year	2	-
Amounts due between one and five years	<u>7</u>	<u>-</u>
	<u>9</u>	<u>-</u>

## Whitburn Church of England Academy

### Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

#### 20 Reconciliation of net expenditure to net cash inflow/(outflow) from operating activities

		2020	2019
		£ 000	£ 000
Net expenditure		(557)	(639)
Depreciation	6	417	421
Capital grants from DfE and other capital income		(26)	(104)
Interest receivable	5	-	(1)
Defined benefit pension scheme cost less contributions payable	26	193	210
Defined benefit pension scheme finance cost	26	34	20
Decrease in stocks		2	-
Decrease/(increase) in debtors		67	(54)
(Decrease)/increase in creditors		(142)	82
Net cash used in Operating Activities		<u>(12)</u>	<u>(65)</u>

#### 21 Cash flows from financing activities

		2020	2019
		£ 000	£ 000
Cash inflows from new borrowing		<u>60</u>	<u>-</u>
Net cash provided by financing activities		<u>60</u>	<u>-</u>

#### 22 Cash flows from investing activities

		2020	2019
		£ 000	£ 000
Dividends, interest and rents from investments		-	1
Purchase of tangible fixed assets		(37)	(42)
Capital funding received from sponsors and others		<u>26</u>	<u>104</u>
Net cash (used in)/provided by investing activities		<u>(11)</u>	<u>63</u>

#### 23 Analysis of changes in net debt

	At 1 September 2019 £000	Cash flows £000	At 31 August 2020 £000
Cash	28	37	65
Loans falling due after more than one year	<u>-</u>	<u>60</u>	<u>60</u>
Total	<u>28</u>	<u>97</u>	<u>125</u>

## **Whitburn Church of England Academy**

### **Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)**

#### **24 Contingent liabilities**

Subsequent to the year end a building survey was performed to assess the extent of works necessary (and associated costs) to address some water ingress issues in respect of the sea facing exterior of the school building.

At the time of signing this report we are in the process of obtaining a second opinion about the work that would be necessary and so cannot say with certainty the extent of works or costs at this stage.

When we have obtained further professional advice and a programme of works has been agreed upon this will be externally funded with £Nil cost impact for Whitburn Church of England Academy.

#### **25 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 he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

#### **26 Pension and similar obligations**

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by South Tyneside 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 2016.

Contributions amounting to £102,353 (2019 - £81,949) were payable to the schemes at 31 August 2020 and are included within creditors.

#### **Teachers' Pension Scheme**

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

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

#### **Valuation of the Teachers' Pension Scheme**

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

## Whitburn Church of England Academy

### Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

#### 26 Pension and similar obligations (continued)

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% 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 period amounted to £720,828 (2019: £504,000).

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

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

#### Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £201,000 (2019 - £160,000), of which employer's contributions totalled £151,000 (2019 - £120,000) and employees' contributions totalled £50,000 (2019 - £40,000). The agreed contribution rates for future years are 17.9 per cent for employers and 5.5 - 12.5 per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

#### Principal actuarial assumptions

	2020	2019
	%	%
Rate of increase in salaries	3.80	3.50
Rate of increase for pensions in payment/inflation	2.30	2.00
Discount rate for scheme liabilities	1.70	1.90
Inflation assumptions (CPI)	<u>2.30</u>	<u>2.00</u>

# Whitburn Church of England Academy

## Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

### 26 Pension and similar obligations (continued)

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

	2020	2019
<b>Retiring today</b>		
Males retiring today	21.80	21.90
Females retiring today	25.00	25.10
<b>Retiring in 20 years</b>		
Males retiring in 20 years	23.50	23.60
Females retiring in 20 years	<u>26.80</u>	<u>26.90</u>

### Sensitivity analysis

	At 31 August 2020 £000	At 31 August 2019 £000
Discount rate +0.1%	6,902	5,750
Discount rate -0.1%	7,270	6,060
Mortality assumption – 1 year increase	6,831	5,710
Mortality assumption – 1 year decrease	7,341	6,100
CPI rate +0.1%	7,121	5,960
CPI rate -0.1%	<u>7,051</u>	<u>5,840</u>

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

	2020 £ 000	2019 £ 000
Equities	2,179	2,646
Corporate bonds	932	461
Government bonds	98	166
Property	375	347
Cash and other liquid assets	77	85
Other	411	335
Total market value of assets	<u>4,072</u>	<u>4,040</u>

The actual return on scheme assets was £112,000 (2019 - £250,000).

### Amounts recognised in the statement of financial activities

	2020 £ 000	2019 £ 000
Current service cost	344	220
Past service cost	-	110
Interest income	(78)	(100)
Interest cost	<u>112</u>	<u>120</u>
Total amount recognised in the SOFA	<u>378</u>	<u>350</u>

## Whitburn Church of England Academy

### Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

#### 26 Pension and similar obligations (continued)

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

	2020	2019
	£ 000	£ 000
At start of period	5,900	4,460
Current service cost	344	220
Interest cost	112	120
Employee contributions	50	40
Actuarial (gain)/loss	737	910
Benefits paid	(55)	40
Past service cost	-	110
At 31 August	<u>7,088</u>	<u>5,900</u>

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

	2020	2019
	£ 000	£ 000
At start of period	4,040	3,590
Interest income	78	100
Actuarial gain/(loss)	(190)	150
Employer contributions	151	120
Employee contributions	50	40
Benefits paid	(55)	40
At 31 August	<u>4,074</u>	<u>4,040</u>

#### 27 Related party transactions

Owing to the nature of the academy trust and the composition of the board of governors being drawn from local public and private sector organisations, transactions may take place with organisations in which the governors have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

##### Expenditure related party transactions

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

##### South Tyneside Homes Limited

(Director in common, J Welsh. )

During the year, South Tyneside Homes Limited charged the Trust £3,925 (2019 - £nil) in respect of property repairs.

At the balance sheet date the amount due to South Tyneside Homes Limited was £3,935 (2019 - £Nil).

##### Northumberland Church of England Academy

(Director in common: A Hardie)

During the year the Trust recognised income of £Nil (2019 - £53,555) from Northumberland Church of England Academy.

At the balance sheet date the amount due to Northumberland Church of England Academy was £Nil (2019 - £Nil).



## Whitburn Church of England Academy

### Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

#### 27 Related party transactions (continued)

##### Income related party transactions

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

##### Governor donations

(Governors are considered to be related parties by virtue of the office they hold.)

During the year the Trust recognised income of £Nil (2019 - £480) in donations from various governors.

#### 28 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2020 the academy trust received £8,009 and disbursed £40 from the fund. An amount of £7,969 is included in other creditors relating to undistributed funds that is repayable to ESFA.

Comparatives for the accounting period ending 31 August 2019 are £22,000 received, £22,000 disbursed and £Nil included in other creditors.

#### 29 Teaching school trading account

	2020 £ 000	2019 £ 000
<b>Income</b>		
<b>Direct Income</b>		
Other income	70	124
<b>Total Income</b>	<u>70</u>	<u>124</u>
<b>Expenditure</b>		
<b>Direct costs</b>		
Other direct costs	-	(9)
<b>Other costs</b>		
Other support costs	(15)	(89)
<b>Total Expenditure</b>	<u>(15)</u>	<u>(98)</u>
Surplus from all sources	55	26
Teaching school balances at 1 September 2019	10	(16)
Teaching school balances at 31 August 2020	<u>65</u>	<u>10</u>