

Registration number: 07465520

# WHITBURN CHURCH OF ENGLAND ACADEMY

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2022

# Whitburn Church of England Academy

## Contents

Reference and administrative details	1 to 2
Trustees Report	3 to 13
Governance statement	14 to 20
Statement of regularity, propriety and compliance	21
Statement of Trustees' Responsibilities	22
Independent Auditor's Report on the Financial Statements to the Members of Whitburn Church of England Academy	23 to 26
Independent Reporting Accountant's Assurance Report on Regularity to Whitburn Church of England Academy and the Education and Skills Funding Agency	27 to 28
Statement of Financial Activities for the (including Income and Expenditure Account)	29 to 30
Balance Sheet	31
Statement of Cash Flows	32
Notes to the Financial Statements	33 to 57

# Whitburn Church of England Academy

## Reference and administrative details

<b>Members</b>	Durham Diocesan Board of Finance represented by The Venerable R Cooper, Archdeacon of Sunderland The Bishop of Durham represented by the Reverend Canon S Bain (resigned 31 October 2021) The Bishop of Durham represented by JJG Morgan (appointed 1 November 2021) V Cuthbert A L Tobin N L Wyrley-Birch (appointed 10 January 2022)
<b>Trustees (Directors)</b>	C Alder S A Beech, Vice Chair N J Clougher J Crowe, Principal and Accounting Officer B Morris T Mulford A L Tobin, Chair J Welsh (resigned 5 January 2022) L W D Williamson P R Woolston (resigned 31 December 2021) H A Wardle (appointed 10 March 2022) M E Hurrell (appointed 10 March 2022 and resigned 26 May 2022) D R Coombe (appointed 26 October 2022) C J T Tubbrit (appointed 13 January 2022 and resigned 11 July 2022)
<b>Company Secretary</b>	G E Hodgson
<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>Bankers</b>	NatWest plc Fawcett Street Sunderland Tyne & Wear SR1 1SB
<b>Company Registration Number</b>	07465520

# Whitburn Church of England Academy

## Reference and administrative details (continued)

**Auditors** Azets Audit Services  
Chartered Accountants & Statutory Auditor  
Bulman House  
Regent Centre  
Gosforth  
Newcastle upon Tyne  
NE3 3LS

**Company Name** Whitburn Church of England Academy

# Whitburn Church of England Academy

## Trustees Report for the Year Ended 31 August 2022

The directors present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a trustees' report, and a directors' report 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 1,265 and had a roll of 1,228 in the May 2022 school census.

### **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 directors of Whitburn Church of England Academy are also the directors of the charitable company for the purposes of company law. Details of the directors 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.

### **Directors' 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 directors**

The majority of directors, including the Principal as a director, are appointed by the members. The Governing Body makes all necessary arrangement for the election or, if required, appointment of Parent Directors and the Governing Body may also co-opt directors when required.

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

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

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

# Whitburn Church of England Academy

## Trustees Report for the Year Ended 31 August 2022 (continued)

### **Organisational structure**

During the year the academy continued to operate a unified management structure. The structure consists of four levels: the Governing Body, 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

Governing Body- reviews the working of all sub committees. Meetings are convened by the Governance Support Professional in consultation with the Chair of the committee and the Principal. An agenda is prepared by the Governance Support Professional 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 Governance Support Professional 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 - draws up and approves each year the academy budget. It has 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 Head teacher, 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 directors 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 directors. 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 in charge of English and Maths and the SENCO who make key decisions about teaching and learning.

Middle Management - consists of Heads of Subject (excluding Maths and English) who have responsibility for holding departmental budgets.

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

# Whitburn Church of England Academy

## Trustees Report for the Year Ended 31 August 2022 (continued)

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

Leadership Teacher Posts (Principal, Senior Deputy, Deputy and Assistant Headteachers)  
Pay range for Principal (Individual School Range (ISR))

The Staffing Committee will determine the 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: L33 - 39  
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:
  - i. development of teaching and learning priorities across the academy;
  - ii. accountability for the standards of achievement and behaviour of pupils across the academy;
  - iii. accountability for the planning and deployment of the academy's resources;
  - iv. leading policy development and implementation across the academy in accordance with statutory provisions;
  - v. managing whole school operational activity;
  - vi. working with external bodies and agencies; and
  - vii. 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
- f. includes line management responsibility for a significant number of people and /or line management of an individual.

# Whitburn Church of England Academy

## Trustees Report for the Year Ended 31 August 2022 (continued)

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
4	3.4

#### Percentage of time spent on facility time

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

#### Percentage of pay bill spent on facility time

Provide the total cost of facility time	£31,919
Provide the total pay bill	£6,205,306
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) × 100	0.51%

#### 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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The trade union facility time as disclosed above was fully reimbursed by South Tyneside Council.

### Related parties and co-operation with other organisations

The academy works closely with partner primary schools in the area to ensure pupils benefit from a smooth transition into secondary education. The academy was awarded teaching school status until 31 August 2021 and the operations of the teaching school alliance with Prince Bishop Teaching School Alliance are included within these financial statements up to this date.

The teaching school operations ceased from 1 September 2021.



# Whitburn Church of England Academy

## Trustees Report for the Year Ended 31 August 2022 (continued)

### 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.

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 2022 are summarised below :

#### Strategic Aim 1:

- Progress 8 score continues to be positive for 2022/2023. A Level average grade to increase from B- to B. Increased proportion of students gaining grades 5+ in English and Maths.

#### Strategic Aim 2:

- Gaps in achievement and progress between groups of pupils (especially disadvantaged and SEN students) and other students continue to close so that "Excellence for all" is achieved.

#### Strategic Aim 3:

- Raise the profile of reading across the academy by implementing a Reading Intervention Programme to support weaker readers in Years 7, 8, 9 and 10. This will include Re-launching the school library into a reading and learning space to

#### Strategic Aim 4:

- Develop and embed a strong understanding of the meaning and importance of challenge within our practice

#### 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 Directors model the ethos at all times.

#### Strategic Aim 6:

# Whitburn Church of England Academy

## Trustees Report for the Year Ended 31 August 2022 (continued)

- Middle leaders take more strategic view of their departments work

### Strategic Aim 7:

- Continue to 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 directors 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 directors have considered this guidance in deciding what activities the academy should undertake.

## STRATEGIC REPORT

### Achievements and performance

Last academic year proved the most challenging to date in terms of continuity of staffing, due to a combination of Covid disruption and also absences relating to emotional health difficulties and postponed surgery.

The school facilitated a staggered return in September to accommodate another round of on-site testing. 10 mitigation measures, such as face coverings, were reintroduced under the direction of PHE on October 30th, following a surge in borough wide Covid cases on October 30th 2021 that were in place until the end of term. Vaccinations were accommodated on site for all year groups in early November, but with Y10 and Y11 being postponed by the vaccination team till mid-February 2022.

To set into context, we were notified of 54 positive cases in total within the school community in the 5 months between March 2021 and July 2021. However in the 6 month period between September 2021 and February 2022, we were notified of 350 cases during term time. Overall we had 41 staff absent for covid-related reasons at some point during this 6 month period, resulting in 227 working days lost for teaching staff and 70 working days for support staff, with peaks occurring in the half terms either side of Christmas. Parents evening continued in remote format but, particularly after Easter, a sense of normality finally started to resume as domestic trips went ahead as planned and the number of cases and associated staff and student absence rates dropped.

The impressive achievement and performance of the school needs to be set in the context of the above, with the school successfully managing the learning (remote and face to face) of all students through this incredibly difficult autumn term and the first half of spring term, but also doing its utmost to protect the Year 11 and Year 13 cohort from further disruption. Despite all of the above, staff worked hard as a team to ensure continuity of curriculum delivery and to ensure any JCQ exam adaptations, announced on February 7th, were implemented in a timely manner.

Headlines:

3 year mean values for GSCE key performance indicators:

- Attainment 8 = 54.00
- Progress 8 = +0.23
- Basics (pass in both English and Maths at GCSE) = 80.93%
- EBacc passes = 17.43%

# Whitburn Church of England Academy

## Trustees Report for the Year Ended 31 August 2022 (continued)

### Pupil Attendance Data

KPI	2017-18	2018-19	2019-20	2020-21	2021-22
% Absence	3.7%	4.59%	7.09%	7.13%	7.5%
% Persistent absence	5.1%	5.6%	0.96%	5.25%	3.96%

### Staffing /Finance Data HCSS - Key performance indicators

KPI	2017-18	2018-19	2019-20	2020-21	2021-22
Salary costs to ESFA Revenue Income %	89.00%	92.8%	92.3%	94.6%	91.8%
Salary costs to total income	76.60%	80.1%	84.9%	87.8%	84.1%
Salary costs as % Total Expense	75.10%	73.8%	78.4%	82.3%	78.2%
FTE Teaching staff	70.9	72.1	72.1	74.9	74.1
FTE Support staff	40.8	47.4	46.6	46.5	49.1

# Whitburn Church of England Academy

## Trustees Report for the Year Ended 31 August 2022 (continued)

### Financial review

#### Overview

The Academy has made a surplus before pension costs and depreciation in the year of £135,000 (2021: £204,000). This is in line with our 3 year financial recovery plan which aimed to eliminate our reserves deficit.

#### Going concern

After making appropriate enquiries, the Board of Directors 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.

#### Principle 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 2022 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. This income was severely reduced in 2020-21 due to the Covid restrictions imposed, we were unable to provide a full catering facility and extra curricular activities were curtailed. However, 2021-22 has allowed us to return to a more normal way of working and we are back to providing a full catering facility. Catering income for the year ended 31st August 2022 was £236,000 (2021: £51,000) with a catering contribution (income less direct costs excluding salaries) of £80,000 (2021:£6,000)

We received the following income streams in the year ended 31 August 2022 linked to the COVID pandemic:-

- Recovery premium funding £21,000: This is part of the government's package of funding to support pupils whose education has been impacted by coronavirus (COVID-19). This was used to employ 3 tutors to assist students to catch up on missed education as a result of COVID school closures etc.
- School led tutoring income £22,000: This is part of the government's package of funding to support pupils whose education has been impacted by coronavirus (COVID-19). This was used to employ 3 tutors to assist students to catch up on missed education as a result of COVID school closures etc.
- COVID mass testing income £14,000: This was received in order to fund the student COVID testing programme required prior to school re-opening.

In addition, £73,000 was received in respect of a Schools Supplementary Grant for the period April to August 2022. This government funding is to provide for the costs of the Health and Social Care Levy and wider costs.

We note a significant improvement in cumulative revenue reserves which were in a deficit position of £418k at 31 August 2019 to a cumulative surplus position of £3k at 31 August 2022. This financial improvement has been the result of continued cost cutting exercises and an increase in minimum funding levels from the 20/21 financial year.

# Whitburn Church of England Academy

## Trustees Report for the Year Ended 31 August 2022 (continued)

During the year ended 31 August 2022, total expenditure of £8,003,000 (2021: £7,577,000) 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 (£222,000)(2021: £121,000).

All of the expenditure shown in the Statement of Financial Activities is in furtherance of the academies objectives.

At 31 August 2022 the net book value of fixed assets was £13,714,000 (2021: £14,044,000) and movements in tangible fixed assets are shown in note 10 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 £74,000 (2021: £3,148,000) recognised on the balance sheet.

The academy held positive fund balances at 31 August 2022 of £3,000 (2021: negative reserves of (£132,000)) comprising of (£391,000) of restricted funds and £394,000 of unrestricted funds.

### **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, accounting officer and budget holders, as well as outlining the authority for spending. Finances are reviewed each term by the Finance, Audit and Risk 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 directors regularly throughout the year. The minimum level of reserves for the ongoing needs of the academy is reviewed by the directors 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 directors 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 £500,000.

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.

# Whitburn Church of England Academy

## Trustees Report for the Year Ended 31 August 2022 (continued)

The academy's current level of available (restricted general and unrestricted) reserves are in surplus by £3,000 (2021: deficit of £132,000) 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 presented a significant financial challenge until minimum funding levels were increased for the 21/22 financial year. Further information regarding plans to rebuild reserves are included within note 1 - Going Concern.

### 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 continues to work 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.

### Principle 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 directors 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 directors have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school visits) and in relation to the control of finance. Where significant financial risk still remains they have ensured they have adequate insurance cover. The academy has in place an effective system of internal financial controls.

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.

### Auditor

Insofar as the governors are aware:

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

## Whitburn Church of England Academy

### Trustees Report for the Year Ended 31 August 2022 (continued)

- 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**

Azets Audit Services Limited, trading as Azets Audit Services, were appointed auditor to the company following their acquisition of the trade of Tait Walker LLP, trading as MHA Tait Walker, on 1 May 2022.

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Azets Audit Services as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

The trustees report, incorporating a Strategic Report, was approved and authorised for issue by order of the members of the Governing Body on 13 December 2022 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 Directors' report and in the statement of Directors' Responsibilities. The full governing body has met 8 times, 1 of which was a special meeting, 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 :

Governors	Attendance – Full Governing Body %	Apologies accepted	Attendance Committees %	Apologies accepted
Mrs S Beech	100	0	100	0
Mr B Morris	75	2	94	1
Miss C Alder	100	0	100	0
Mr Paul Woolston	100	0	67	1
Mrs A Tobin	100	0	100	0
Mr L Williamson	88	1	86	1
Cllr J Welsh	0	4	0	1
Mr J Crowe	100	0	100	0
Mr N Clougher	100	0	0	1
Mr TCW Mulford	100	0	0	1
Mr M Hurrell	100	0	N/A	N/A
Mrs H Wardle	100	0	50	1
Mr C Tubbrit	67	1	100	0

### Governance reviews

During the year, the Board continued to implement the recommendations from the external review of governance undertaken by a National Leader of Governance in December 2019.



# Whitburn Church of England Academy

## Governance statement (continued)

### Conflicts of interest

The Academy's Business Interest Policy is updated and approved annually by the Board. It requires every Director and member of staff with any financial or budget holder responsibility to complete a Declaration of Interests form annually. Interests of related persons such as spouse, business partner, parent or anyone who could exert undue influence over the Director or staff member should also be declared.

The declarations from Directors are held by the Principal's Personal Assistant and Policy Officer and the Governance Professional. Staff declarations are held by the Senior Business Officer in the Business Office.

Directors and staff are reminded at the start of every meeting to declare any business interest or conflict of interest arising from the meeting agenda items. Directors and staff are excluded from any discussions and decisions on those items where they have an interest.

All staff and directors are asked to report any changes or new interests as soon as they occur.

The business interest forms are regularly reviewed and considered when making purchasing decisions to ensure Academy policies and the Academy Trust Handbook are being complied with.

### 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
- Underachieving pupils were allocated a senior member of staff as a mentor.

### Targeted improvement:

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

- Pre and after school booster sessions were in place as well as 'master classes' during lessons' time in mathematics;
- SEN support staff provide a range of interventions before, during and after school. These include:
  - Handwriting support sessions (small groups)
  - LEXIA Powerup programme (to improve vocabulary, grammar and reading skills)
  - Comprehension & inference activities (Small groups)
  - Basic skills Maths tuition (small groups)
  - Entry level English and Maths tuition (during school day for designated Y11 students)
- Targeted support for identified pupils whose learning had been affected during the pandemic, with bespoke intervention from tutors employed by the government's National Tutoring Programme.

# Whitburn Church of England Academy

## Governance statement (continued)

### 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

Our intention is to ensure that all students have the opportunity to develop their skills, character and abilities to their fullest potential, irrespective of their background or the challenges they may face.

This intention will be realised by students making good progress in their learning such that they have the knowledge and understanding that will lead to attainment that in turn will give them the springboard to the next stage in their education / career.

This intention will also be realised by all students developing the skills, habits and characteristics that will make them able to participate fully and productively in society and remove any future barriers to learning and aspiration.

Central to our strategy is the emphasis on Quality First teaching for all students, all the time. Our focus on reading is crucial in improving students' ability to both access the curriculum and gain the generative knowledge that will allow sustained progress in learning and attainment. Allied to a focus on the areas where disadvantaged students require the most support, we intend to ensure that all students make improved progress and that differences in the progress between disadvantaged and non-disadvantaged students are minimised.

Activities range from:

- 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;
- Reading Strategy commenced January 2022. Including whole school INSET and ongoing CPD. Relaunch of library including physical remodelling, purchase of new furniture and resources. Structured reading interventions to take place for identified cohort.
- Subsidising 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;
- Enabling through the contribution of extra funds the provision of whole school resources to support learning including MyMaths, 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.

Sixth Form students:

The impact of the 16-19 tuition 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. We have used this funding to employ a Sixth Form Pastoral Year Lead who works to remove barriers to learning and support identified students who are often (but not exclusively) former PP students and/or SEND students.

- One-to-one mentoring sessions around study skills;
- Supervised study for those who struggle to make use of study periods due to their ASD;
- Additional careers guidance for those lacking direction.

### **Collaboration:**

The teaching school ceased to be in operation from 1 September 2021.

### **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 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 directors;
- 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.

# Whitburn Church of England Academy

## Governance statement (continued)

### **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.

### **Options appraisal:**

The Directors 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:**

Until March 2022 The academy was in partnership with Education and Community Lettings (ECL), an organisation that marketed and generated income through the hire of the academy facilities. In March 2022 ECL ceased this role and the function of lettings was taken 'in-house'. We have subsequently seen an increase in lettings income and the financial statements included £13,000 for the year ended 31 August 2022 (2021: £2,000). We are hopeful that going forward we will generate increased lettings revenues which will continue to be used to fund additional caretaking staff.

### **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 Directors;
- 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 directors 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 directors 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 directors.

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.

# Whitburn Church of England Academy

## Governance statement (continued)

### **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 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

### **Capacity to handle risk**

The Board of Directors 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 Directors 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 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Directors.

### **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, 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 Board of Trustees has considered the need for a specific internal audit function and during the year Azets provided this internal assurance. Subsequent to the year end it was necessary for us to appoint new internal assurance providers due to the merger of Azets and Tait Walker. Therefore Clive Owen were appointed in September 2022.

During the year ended 31 August 2022 two internal assurance visits were completed (remotely and on site) and reports received outlining the areas reviewed, key findings and recommendations. Two matters classified as "merits attention" were completely resolved by the subsequent assurance visit and the only other matter noted was agreed to be of a 'housekeeping' nature only.

### **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 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.

# Whitburn Church of England Academy

## Governance statement (continued)

Approved and authorised for issue by order of the members of the Governing Body on 13 December 2022 and signed on its behalf by:



.....  
A L Tobin  
Trustee

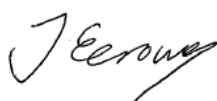
# Whitburn Church of England Academy

## Statement of 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 Academy Trust Handbook 2021.

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 Academy Trust Handbook 2021.

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



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

13 December 2022

# Whitburn Church of England Academy

## Statement of Trustees' Responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- 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 trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

Approved and authorised for issue by order of the members of the Board on 13 December 2022 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') for the year ended 31 August 2022, which comprise the Statement of Financial Activities for the (including 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 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the Academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 movement on funds of £2,886,000 during the year ended 31 August 2022. After adjusting for capital movements of £323,000, the actuarial gain impact of FRS 102 S28 pension adjustment of £3,453,000 and the expenditure impact of FRS 102 S28 pension adjustment of £379,000, the academy generated an operational surplus of £135,000. As at the year end 31 August 2022, the academy's current liabilities exceeded its current assets by £3,000. 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 trustees 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 trustees**

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'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 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.

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

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

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

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

# Whitburn Church of England Academy

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

### Use of our report

This report is made solely to the Academy'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'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 and its governors, as a body, for our audit work, for this report, or for the opinions we have formed.

*Azets Audit Services*

.....  
Brian Laidlaw BA CA (Senior Statutory Auditor)  
For and on behalf of Azets Audit Services  
Statutory Auditor  
Chartered Accountants  
Bulman House  
Regent Centre  
Gosforth  
Newcastle upon Tyne  
NE3 3LS

Date: 21 December 2022

Azets Audit Services is a trading name of Azets Audit Services Limited

# **Whitburn Church of England Academy**

## **Independent Reporting Accountant's Assurance 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 30 June 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Whitburn Church of England Academy during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

### **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 Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year from 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

### **Approach**

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Review of Governing Body and committee minutes;
- Review of available internal assurance reports;
- Completion of self assessment questionnaire by the Accounting Officer;
- Discussions with the Accounting Officer and finance team;
- Review documentation provided to Governors and Accounting Officer setting our responsibilities;
- Obtained a formal letter of representation detailing the responsibilities of Governors;
- Review of payroll, purchases and expense claims on a sample basis;
- Confirmation that the lines of delegation and limits set have been adhered to;

## Whitburn Church of England Academy

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

- Evaluation of internal control procedures and reporting lines;
- Review of cash payments for unusual transactions;
- Review of purchasing card transactions;
- Review of register of interests;
- Review of related party transactions;
- Review of borrowing arrangements;
- Review of land and building transactions;
- Review of potential and actual bad debts;
- Review of gifts and hospitality on a sample basis to ensure in line with policy; and
- Consideration of governance issues.

#### Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year from 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

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.

*Azets Audit Services*

.....  
Azets Audit Services  
Chartered Accountants  
Bulman House  
Regent Centre  
Gosforth  
Newcastle upon Tyne  
NE3 3LS

Date: 21 December 2022

Azets Audit Services is a trading name of Azets Audit Services Limited

## Whitburn Church of England Academy

### Statement of Financial Activities for the Year Ended 31 August 2022 (including Income and Expenditure Account)

	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total 2022 £ 000
<b>Income and endowments from:</b>					
Donations and capital grants	2	117	-	26	143
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	236	6,844	-	7,080
Other trading activities	4	185	28	-	213
Total		<u>538</u>	<u>6,872</u>	<u>26</u>	<u>7,436</u>
<b>Expenditure on:</b>					
<i>Charitable activities:</i>					
Academy trust educational operations	6	<u>398</u>	<u>7,234</u>	<u>371</u>	<u>8,003</u>
Total		<u>398</u>	<u>7,234</u>	<u>371</u>	<u>8,003</u>
Net income/(expenditure)		140	(362)	(345)	(567)
Transfers between funds		-	(22)	22	-
<b>Other recognised gains and losses</b>					
Actuarial gains/(losses) on defined benefit pension schemes	24	<u>-</u>	<u>3,453</u>	<u>-</u>	<u>3,453</u>
Net movement in funds/(deficit)		140	3,069	(323)	2,886
<b>Reconciliation of funds</b>					
Total funds/(deficit) brought forward at 1 September 2021		<u>254</u>	<u>(3,534)</u>	<u>14,012</u>	<u>10,732</u>
Total funds/(deficit) carried forward at 31 August 2022		<u><u>394</u></u>	<u><u>(465)</u></u>	<u><u>13,689</u></u>	<u><u>13,618</u></u>

## Whitburn Church of England Academy

### Statement of Financial Activities for the Year Ended 31 August 2021 (including Income and Expenditure Account)

	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total 2021 £ 000
<b>Income and endowments from:</b>					
Donations and capital grants	2	23	-	26	49
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	51	6,773	-	6,824
Teaching schools		50	27	-	77
Other trading activities	4	142	9	-	151
Total		<u>266</u>	<u>6,809</u>	<u>26</u>	<u>7,101</u>
<b>Expenditure on:</b>					
<i>Charitable activities:</i>					
Academy trust educational operations	6	50	7,150	381	7,581
Teaching schools		<u>7</u>	<u>-</u>	<u>-</u>	<u>7</u>
Total		<u>57</u>	<u>7,150</u>	<u>381</u>	<u>7,588</u>
Net income/(expenditure)		209	(341)	(355)	(487)
Transfers between funds		-	11	(11)	-
<b>Other recognised gains and losses</b>					
Actuarial gains/(losses) on defined benefit pension schemes	24	-	191	-	191
Net movement in funds/(deficit)		209	(139)	(366)	(296)
<b>Reconciliation of funds</b>					
Total funds/(deficit) brought forward at 1 September 2020		<u>45</u>	<u>(3,395)</u>	<u>14,378</u>	<u>11,028</u>
Total funds/(deficit) carried forward at 31 August 2021		<u><u>254</u></u>	<u><u>(3,534)</u></u>	<u><u>14,012</u></u>	<u><u>10,732</u></u>



# Whitburn Church of England Academy

(Registration number: 07465520)

## Balance Sheet

	Note	2022 £ 000	2021 £ 000
<b>Fixed assets</b>			
Tangible assets	10	13,714	14,043
<b>Current assets</b>			
Stocks	11	2	2
Debtors	12	191	265
Cash at bank and in hand		369	289
		<u>562</u>	<u>556</u>
Creditors: Amounts falling due within one year	13	<u>(565)</u>	<u>(665)</u>
Net current liabilities		<u>(3)</u>	<u>(109)</u>
Total assets less current liabilities		13,711	13,934
Creditors: Amounts falling due after more than one year	14	<u>(19)</u>	<u>(54)</u>
Net assets excluding pension liability		13,692	13,880
Pension scheme liability	24	<u>(74)</u>	<u>(3,148)</u>
Net assets including pension liability		<u>13,618</u>	<u>10,732</u>
<b>Funds of the Academy:</b>			
<b>Restricted funds</b>			
Restricted income fund	15	(391)	(386)
Restricted fixed asset fund	15	13,689	14,012
Restricted pension fund	15	<u>(74)</u>	<u>(3,148)</u>
		13,224	10,478
<b>Unrestricted funds</b>			
Unrestricted income fund	15	<u>394</u>	<u>254</u>
Total funds		<u>13,618</u>	<u>10,732</u>

The financial statements on pages 29 to 57 were approved and authorised for issue by the governors, on 13 December 2022 and signed on their behalf by:



.....  
A L Tobin  
Trustee

# Whitburn Church of England Academy

## Statement of Cash Flows

	Note	2022 £ 000	2021 £ 000
<b>Cash flows from operating activities</b>			
Net cash provided by (used in) operating activities	18	96	212
<b>Cash flows from investing activities</b>	19	<u>(16)</u>	<u>12</u>
<b>Change in cash and cash equivalents in the year</b>		80	224
<b>Cash and cash equivalents at 1 September</b>		<u>289</u>	<u>65</u>
<b>Cash and cash equivalents at 31 August</b>	20	<u><u>369</u></u>	<u><u>289</u></u>

# Whitburn Church of England Academy

## Notes to the Financial Statements for the Year Ended 31 August 2022

### 1 Accounting policies

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

#### 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 2021 to 2022 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

The draft financial forecast to 31 August 2023 prepared by the academy trust showed that the continuation of cost cutting exercises undertaken in 2022 and the increased minimum y7-11 per pupil rate from 1 September 2021 would result in further recovery of cumulative deficits to date and the ability to continue to meet their liabilities as they fall due. However, subsequent to the approval and submission of the budget it was announced that pay awards in respect of both teaching and support staff would be higher than the assumptions included in the forecast and would be unfunded. These additional costs will therefore reduce future forecast surpluses.

Bank balances during the 22/23 financial year were forecast to continue at a much improved level but will be negatively impacted by the unfunded teacher and support staff pay awards noted above. 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 directors 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 directors make this assessment in respect of a period of at least one year from the date of authorisation of the financial statements.

In making this assessment over going concern the directors acknowledge that there is an uncertainty in relation to future surpluses and the impact on cash balances as a result of unfunded pay awards. 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 allow extended credit terms if required but the cash balances built up in recent years is expected to be sufficient in order to pay liabilities as they fall due for a minimum of 12 months from the date of signing this report. 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 directors, 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.

# Whitburn Church of England Academy

## Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

### 1 Accounting policies (continued)

#### **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 2022 (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. 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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset 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.

<b>Asset class</b>	<b>Depreciation method and rate</b>
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 2022 (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 12. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 13. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

#### Stock

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

# Whitburn Church of England Academy

## Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

### 1 Accounting policies (continued)

#### Taxation

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

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

#### Pension benefits

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

# Whitburn Church of England Academy

## Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

### 1 Accounting policies (continued)

#### 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.

#### 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 24, 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 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

##### 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 £ 371,000 (2021 - £381,000).



# Whitburn Church of England Academy

## Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

### 1 Accounting policies (continued)

#### Critical areas of judgement

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

#### Assessing indicator of impairment.

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

#### 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.

#### 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 26.

### 2 Donations and capital grants

	<b>Unrestricted funds £ 000</b>	<b>Restricted funds £ 000</b>	<b>Restricted fixed asset funds £ 000</b>	<b>Total 2022 £ 000</b>	<b>Total 2021 £ 000</b>
Educational trips and visits	117	-	-	117	3
Capital grants	-	-	26	26	26
Other donations	-	-	-	-	20
	<u>117</u>	<u>-</u>	<u>26</u>	<u>143</u>	<u>49</u>
	<b>Unrestricted funds £ 000</b>	<b>Restricted funds £ 000</b>	<b>Restricted fixed asset funds £ 000</b>	<b>Total 2021 £ 000</b>	
Total 2021	<u>23</u>	<u>-</u>	<u>26</u>	<u>49</u>	

# Whitburn Church of England Academy

## Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

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

	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2022 £ 000	Total 2021 £ 000
<b>DfE/ESFA revenue grants</b>					
General Annual Grant GAG	-	6,428	-	6,428	6,065
Other ESFA Group grants	-	387	-	387	528
	<u>-</u>	<u>6,815</u>	<u>-</u>	<u>6,815</u>	<u>6,593</u>
<b>Other government grants</b>					
Local authority grants	-	13	-	13	18
	<u>-</u>	<u>13</u>	<u>-</u>	<u>13</u>	<u>18</u>
<b>COVID-19 additional funding (DfE/ESFA)</b>					
Catch-up Premium	-	-	-	-	81
Other DfE/ESFA COVID-19 funding	-	16	-	16	20
	<u>-</u>	<u>16</u>	<u>-</u>	<u>16</u>	<u>101</u>
<b>COVID-19 additional funding (non-DfE/ESFA)</b>					
Coronavirus Job Retention Scheme grant	-	-	-	-	29
Other Coronavirus funding	-	-	-	-	32
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>61</u>
<b>Non-government grants and other income</b>					
Other income	236	-	-	236	51
<b>Total grants</b>	<u>236</u>	<u>6,844</u>	<u>-</u>	<u>7,080</u>	<u>6,824</u>

# Whitburn Church of England Academy

## Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

### 3 Funding for the Academy Trust's educational operations (continued)

	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2021 £ 000	
Total 2021	51	6,773	-	6,824	
	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2022 £ 000	Total 2021 £ 000
<b>DfE/ESFA revenue grants</b>					
Teaching school hub	-	-	-	-	77
	-	-	-	-	77
	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2021 £ 000	
Total 2021	50	27	-	77	

The academy trust has been eligible to claim additional funding in the prior year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under 'exceptional government funding.'

	2022 £ 000	2021 £ 000
<b>Other DfE/ESFA Grants</b>		
Rates reclaim	34	36
Student Support Services (per statement) (also known as Academy Post 16 Bursary Funding)	11	18
Pupil Premium and Service Premium	177	149
Supplementary Grant	73	-
Other	39	-
Teachers' Pay Grant	53	325
	387	528

# Whitburn Church of England Academy

## Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

### 4 Other trading activities

	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2022 £ 000	Total 2021 £ 000
Sundry income	185	-	-	185	143
Uniform	-	28	-	28	8
	<u>185</u>	<u>28</u>	<u>-</u>	<u>213</u>	<u>151</u>
	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2021 £ 000	
Total 2021	<u>142</u>	<u>9</u>	<u>-</u>	<u>151</u>	

### 5 Expenditure

	Non Pay Expenditure			2022 Total £ 000	2021 Total £ 000
	Staff costs £ 000	Premises £ 000	Other costs £ 000		
<b>Academy's educational operations</b>					
Direct costs	5,218	371	379	5,968	5,869
Allocated support costs	1,039	342	654	2,035	1,712
<b>Teaching school hub</b>					
Other costs	-	-	-	-	7
	<u>6,257</u>	<u>713</u>	<u>1,033</u>	<u>8,003</u>	<u>7,588</u>
	Staff costs £ 000	Premises £ 000	Other costs £ 000	Total 2021 £ 000	
Total 2021	<u>6,237</u>	<u>733</u>	<u>625</u>	<u>7,588</u>	

# Whitburn Church of England Academy

## Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

### 5 Expenditure (continued)

Net expenditure for the year includes:

	<b>2022</b>	<b>2021</b>
	<b>£ 000</b>	<b>£ 000</b>
Operating lease rentals	27	5
Depreciation	371	380
Fees payable to auditor - audit	9	8
Fees payable to auditor - other audit services	2	2
	<u>2</u>	<u>2</u>

### 6 Charitable activities

	<b>2022</b>	<b>2021</b>
	<b>£ 000</b>	<b>£ 000</b>
Direct costs - educational operations	5,968	5,869
Support costs - educational operations	2,035	1,712
	<u>8,003</u>	<u>7,581</u>

	<b>Educational operations</b>	<b>Total</b>	<b>Total</b>
	<b>£ 000</b>	<b>£ 000</b>	<b>£ 000</b>
<b>Analysis of support costs</b>			
Support staff costs	1,039	1,039	925
Technology costs	73	73	61
Premises costs	342	342	345
Legal and professional costs	118	118	90
Other support costs	463	463	291
Total support costs	<u>2,035</u>	<u>2,035</u>	<u>1,712</u>

### 7 Staff

#### Staff costs

	<b>2022</b>	<b>2021</b>
	<b>£ 000</b>	<b>£ 000</b>
<b>Staff costs during the year were:</b>		
Wages and salaries	4,464	4,397
Social security costs	459	440
Operating costs of defined benefit pension schemes	1,282	1,305
	<u>6,205</u>	<u>6,142</u>
Supply staff costs	52	44
Staff restructuring costs	-	51
	<u>6,257</u>	<u>6,237</u>

# Whitburn Church of England Academy

## Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

### 7 Staff (continued)

#### Staff numbers

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

	<b>2022</b>	<b>2021</b>
	<b>No.</b>	<b>No.</b>
<b>Charitable Activities</b>		
Teachers	75	71
Administration and support	71	63
Management	6	6
	<u>152</u>	<u>140</u>

#### Higher paid staff

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

	<b>2022</b>	<b>2021</b>
	<b>No.</b>	<b>No.</b>
£60,001 - £70,000	2	3
£70,001 - £80,000	1	-
£80,001 - £90,000	1	1
£90,001 - £100,000	1	1
	<u>1</u>	<u>1</u>

#### 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 £659,328 (2021 - £656,968).

### 8 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:

# Whitburn Church of England Academy

## Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

### 8 Related party transactions - trustees' remuneration and expenses (continued)

J Crowe (Headteacher and Accounting Officer):

Remuneration: £95,000 - £100,000 (2021 - £95,000 - £100,000)

Employer's pension contributions: £20,000 - £25,000 (2021 - £20,000 - £25,000)

N J Clougher (Director):

Remuneration: £60,000 - £65,000 (2021 - £60,000 - £65,000)

Employer's pension contributions: £15,000 - £20,000 (2021 - £15,000 - £20,000)

T Mulford (Director):

Remuneration: £45,000 - £50,000 (2021 - £45,000 - £50,000)

Employer's pension contributions: £10,000 - £15,000 (2021 - £10,000 - £15,000)

During the year ended 31 August 2022, travel and subsistence expenses totalling £178 (2021 - £431) were reimbursed or paid directly to 2 governors (2021 - 1).

Other related party transactions involving the governors are set out in note 25.

### 9 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 2022 was £25,000 (2021 - £30,000).

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

### 10 Tangible fixed assets

	Freehold land and buildings £ 000	Furniture and equipment £ 000	Motor vehicles £ 000	Computer equipment £ 000	Total £ 000
<b>Cost</b>					
At 1 September 2021	17,286	449	10	225	17,970
Additions	7	35	-	-	42
At 31 August 2022	<u>17,293</u>	<u>484</u>	<u>10</u>	<u>225</u>	<u>18,012</u>
<b>Depreciation</b>					
At 1 September 2021	3,302	394	6	225	3,927
Charge for the year	345	24	2	-	371
At 31 August 2022	<u>3,647</u>	<u>418</u>	<u>8</u>	<u>225</u>	<u>4,298</u>
<b>Net book value</b>					
At 31 August 2022	<u>13,646</u>	<u>66</u>	<u>2</u>	<u>-</u>	<u>13,714</u>
At 31 August 2021	<u>13,984</u>	<u>55</u>	<u>4</u>	<u>-</u>	<u>14,043</u>

# Whitburn Church of England Academy

## Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

### 11 Stock

	<b>2022</b>	<b>2021</b>
	<b>£ 000</b>	<b>£ 000</b>
Clothing, catering supplies and stationery	<u>2</u>	<u>2</u>

### 12 Debtors

	<b>2022</b>	<b>2021</b>
	<b>£ 000</b>	<b>£ 000</b>
Trade debtors	1	-
VAT recoverable	10	18
Prepayments	144	144
Accrued grant and other income	<u>36</u>	<u>103</u>
	<u>191</u>	<u>265</u>

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

	<b>2022</b>	<b>2021</b>
	<b>£ 000</b>	<b>£ 000</b>
Trade creditors	148	120
Other taxation and social security	113	115
Loans	34	6
Accruals	27	197
Deferred income	131	115
Pension scheme creditor	<u>112</u>	<u>112</u>
	<u>565</u>	<u>665</u>

	<b>2022</b>	<b>2021</b>
	<b>£ 000</b>	<b>£ 000</b>
<b>Deferred income</b>		
Deferred income at 1 September 2021	115	78
Resources deferred in the period	29	115
Amounts released from previous periods	<u>(13)</u>	<u>(78)</u>
Deferred income at 31 August 2022	<u>131</u>	<u>115</u>

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



# Whitburn Church of England Academy

## Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

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

	2022	2021
	£ 000	£ 000
Other loans	<u>19</u>	<u>54</u>

Included in creditors; 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 monthly instalments of £2,115 from September 2022.

Loans of £25,754, 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 from August 2021.

# Whitburn Church of England Academy

## Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

### 15 Funds

	Balance at 1 September 2021 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2022 £ 000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	(433)	6,428	(6,439)	(22)	(466)
Other DfE/ESFA grants	-	387	(387)	-	-
Other government grants	-	13	(13)	-	-
Teaching School	47	-	-	-	47
COVID-19	-	16	(16)	-	-
Other income	-	28	-	-	28
	<u>(386)</u>	<u>6,872</u>	<u>(6,855)</u>	<u>(22)</u>	<u>(391)</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	12,261	26	(306)	22	12,003
DfE group capital grants	73	-	(19)	-	54
Capital expenditure from GAG	32	-	(2)	-	30
ESFA loan	(12)	-	(6)	-	(18)
Capital Maintenance Fund	1,658	-	(38)	-	1,620
	<u>14,012</u>	<u>26</u>	<u>(371)</u>	<u>22</u>	<u>13,689</u>
<b>Pension Reserve</b>					
Pension reserve	<u>(3,148)</u>	<u>-</u>	<u>(379)</u>	<u>3,453</u>	<u>(74)</u>
Total restricted funds	<u>10,478</u>	<u>6,898</u>	<u>(7,605)</u>	<u>3,453</u>	<u>13,224</u>
<b>Unrestricted funds</b>					
General funds	166	538	(398)	-	306
Teaching School	<u>88</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>88</u>
Total unrestricted funds	<u>254</u>	<u>538</u>	<u>(398)</u>	<u>-</u>	<u>394</u>
Total funds	<u>10,732</u>	<u>7,436</u>	<u>(8,003)</u>	<u>3,453</u>	<u>13,618</u>

# Whitburn Church of England Academy

## Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

### 15 Funds (continued)

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

	Balance at 1 September 2020 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2021 £ 000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	(401)	6,083	(6,126)	11	(433)
Other DfE/ESFA grants	-	510	(510)	-	-
Other government grants	-	18	(18)	-	-
Teaching School	20	27	-	-	47
Other restricted funds	-	9	(9)	-	-
COVID-19	-	162	(162)	-	-
	<u>(381)</u>	<u>6,809</u>	<u>(6,825)</u>	<u>11</u>	<u>(386)</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	12,568	-	(307)	-	12,261
DfE group capital grants	78	26	(20)	(11)	73
Capital expenditure from GAG	39	-	(7)	-	32
Wolfson Fund	3	-	(3)	-	-
ESFA loan	(6)	-	(6)	-	(12)
Capital Maintenance Fund	1,696	-	(38)	-	1,658
	<u>14,378</u>	<u>26</u>	<u>(381)</u>	<u>(11)</u>	<u>14,012</u>
<b>Pension Reserve</b>					
Pension reserve	<u>(3,014)</u>	<u>-</u>	<u>(325)</u>	<u>191</u>	<u>(3,148)</u>
Total restricted funds	<u>10,983</u>	<u>6,835</u>	<u>(7,531)</u>	<u>191</u>	<u>10,478</u>
<b>Unrestricted funds</b>					
General funds	-	216	(50)	-	166
Teaching School	45	50	(7)	-	88
Total unrestricted funds	<u>45</u>	<u>266</u>	<u>(57)</u>	<u>-</u>	<u>254</u>
Total funds	<u>11,028</u>	<u>7,101</u>	<u>(7,588)</u>	<u>191</u>	<u>10,732</u>

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

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

A start up grant was received from the ESFA as a result of the conversion to academy status. The full grant was allocated.

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

Other government grants comprise funding received from the Local Authority.

# Whitburn Church of England Academy

## Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

### 15 Funds (continued)

The costs and income associated with the defined benefit pension scheme have been recorded in the restricted fund. Staff costs are paid from this fund, including contributions to Local Government Pension Scheme ('LGPS') and the pension liability has therefore been aligned with these funds. The restricted funds are in deficit as a result of the deficit on the LGPS pension scheme alone.

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

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

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

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

The transfer in the year represents fixed assets financed by unrestricted funds.

The academy trust is carrying a net surplus of £3,000 on restricted general funds (excluding pension reserve) plus unrestricted funds because The academy trust has taken the following action to increase the fund surplus:

- \*\* Replacement of Building management system to reduce energy wastage and reduce costs
- \*\* Review of all major supplier contracts including subcontracts
- \*\* A freeze on all non-essential expenditure
- \*\* Staff restructuring
- \*\* No replacement of certain staff leavers unless deemed essential

# Whitburn Church of England Academy

## Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

### 16 Analysis of net assets between funds

Fund balances at 31 August 2022 are represented by:

	<b>Unrestricted Funds £ 000</b>	<b>Restricted General Funds £ 000</b>	<b>Restricted Fixed Asset Funds £ 000</b>	<b>Total Funds £ 000</b>
Tangible fixed assets	-	-	13,714	13,714
Current assets	506	56	-	562
Current liabilities	(112)	(447)	(6)	(565)
Creditors over 1 year	-	-	(19)	(19)
Pension scheme liability	-	(74)	-	(74)
	<u>394</u>	<u>(465)</u>	<u>13,689</u>	<u>13,618</u>
Total net assets	<u>394</u>	<u>(465)</u>	<u>13,689</u>	<u>13,618</u>

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

	<b>Unrestricted Funds £ 000</b>	<b>Restricted General Funds £ 000</b>	<b>Restricted Fixed Asset Funds £ 000</b>	<b>Total Funds £ 000</b>
Tangible fixed assets	-	-	14,043	14,043
Current assets	331	225	-	556
Current liabilities	(77)	(582)	(6)	(665)
Creditors over 1 year	-	(29)	(25)	(54)
Pension scheme liability	-	(3,148)	-	(3,148)
	<u>254</u>	<u>(3,534)</u>	<u>14,012</u>	<u>10,732</u>
Total net assets	<u>254</u>	<u>(3,534)</u>	<u>14,012</u>	<u>10,732</u>

### 17 Long-term commitments, including operating leases

#### Operating leases

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

	<b>2022 £ 000</b>	<b>2021 £ 000</b>
Amounts due within one year	13	8
Amounts due between one and five years	18	24
	<u>31</u>	<u>32</u>

# Whitburn Church of England Academy

## Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

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

	<b>2022</b>	<b>2021</b>
	<b>£ 000</b>	<b>£ 000</b>
Net expenditure	(567)	(487)
Depreciation	371	381
Capital grants from DfE and other capital income	(26)	(26)
Defined benefit pension scheme cost less contributions payable	326	276
Defined benefit pension scheme finance cost	53	49
Decrease/(increase) in debtors	74	(105)
(Decrease)/increase in creditors	(135)	124
Net cash provided by Operating Activities	<u>96</u>	<u>212</u>

### 19 Cash flows from investing activities

	<b>2022</b>	<b>2021</b>
	<b>£ 000</b>	<b>£ 000</b>
Purchase of tangible fixed assets	(42)	(14)
Capital funding received from sponsors and others	26	26
Net cash (used in)/provided by investing activities	<u>(16)</u>	<u>12</u>

### 20 Analysis of cash and cash equivalents

	<b>2022</b>	<b>2021</b>
	<b>£ 000</b>	<b>£ 000</b>
Cash at bank and in hand	<u>369</u>	<u>289</u>
Total cash and cash equivalents	<u>369</u>	<u>289</u>

# Whitburn Church of England Academy

## Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

### 21 Analysis of changes in net debt

	At 1 September 2021 £000	Cash flows £000	Other non-cash changes £000	At 31 August 2022 £000
Cash	289	80	-	369
Loans falling due within one year	(6)	7	(35)	(34)
Loans falling due after more than one year	(54)	-	35	(19)
Total	<u>229</u>	<u>87</u>	<u>-</u>	<u>316</u>

### 22 Contingent liabilities

During the previous year a building survey and 'opening up works' 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. During the year a CIF bid application was made in order to fund the recommended programme of works but in May 2022 we were informed we had been unsuccessful on this occasion. Further CIF bid applications will be considered going forward.

### 23 Member liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/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.

### 24 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 . 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 2019.

Contributions amounting to £111,737 (2021 - £111,687) were payable to the schemes at 31 August 2022 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.

# Whitburn Church of England Academy

## Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

### 24 Pension and similar obligations (continued)

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.

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 £778,628 (2021: £849,288).

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

##### Tyne & Wear Pension Fund

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 2022 was £224,000 (2021 - £220,000), of which employer's contributions totalled £171,000 (2021 - £168,000) and employees' contributions totalled £53,000 (2021 - £52,000). 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.



# Whitburn Church of England Academy

## Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

### 24 Pension and similar obligations (continued)

Due to the current level of high inflation we have instructed the actuary to make an allowance in the Defined Benefit Obligation of the expected impact of CPI inflation on the pension increase order for April 2023. This is a change in accounting policy from previous years. It is expected that the April 2023 pension increase order will reflect CPI inflation therefore an allowance has been included in the results presented for CPI between September 2021 and the accounting date. This is recognised in other comprehensive income and reflects the market expectations at the accounting date.

#### Principal actuarial assumptions

	<b>2022</b>	<b>2021</b>
	%	%
Rate of increase in salaries	4.20	4.10
Rate of increase for pensions in payment/inflation	2.70	2.60
Discount rate for scheme liabilities	4.10	1.70
Inflation assumptions (CPI)	<u>2.70</u>	<u>2.60</u>

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

	<b>2022</b>	<b>2021</b>
<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>26.70</u>	<u>26.90</u>

#### Sensitivity analysis

	<b>At 31 August</b>	<b>At 31 August</b>
	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Discount rate +0.1%	5,109	7,931
Discount rate -0.1%	5,381	8,355
Mortality assumption – 1 year increase	5,098	8,452
Mortality assumption – 1 year decrease	5,392	7,842
CPI rate +0.1%	5,271	8,184
CPI rate -0.1%	<u>5,219</u>	<u>8,102</u>

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

	<b>2022</b>	<b>2021</b>
	<b>£ 000</b>	<b>£ 000</b>
Equities	2,781	2,777
Corporate bonds	962	1,004
Government bonds	83	105
Property	574	400
Cash and other liquid assets	93	200
Other	450	509
Multi Asset Credit	<u>228</u>	<u>-</u>
Total market value of assets	<u>5,171</u>	<u>4,995</u>

# Whitburn Church of England Academy

## Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

### 24 Pension and similar obligations (continued)

The actual return on scheme assets was (£6,000) (2021 - £769,000).

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

	<b>2022</b>	<b>2021</b>
	<b>£ 000</b>	<b>£ 000</b>
Current service cost	497	444
Interest income	(86)	(71)
Interest cost	53	120
	<u>464</u>	<u>493</u>
Total amount recognised in the SOFA	<u>464</u>	<u>493</u>

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

	<b>2022</b>	<b>2021</b>
	<b>£ 000</b>	<b>£ 000</b>
At start of period	8,145	7,088
Current service cost	497	444
Interest cost	139	120
Employee contributions	53	52
Actuarial (gain)/loss	(3,545)	507
Benefits paid	(42)	(66)
	<u>5,247</u>	<u>8,145</u>
At 31 August	<u>5,247</u>	<u>8,145</u>

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

	<b>2022</b>	<b>2021</b>
	<b>£ 000</b>	<b>£ 000</b>
At start of period	4,997	4,074
Interest income	86	71
Actuarial gain/(loss)	(92)	698
Employer contributions	171	168
Employee contributions	53	52
Benefits paid	(42)	(66)
	<u>5,173</u>	<u>4,997</u>
At 31 August	<u>5,173</u>	<u>4,997</u>

# Whitburn Church of England Academy

## Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

### 25 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 trustees have an interest. The following related party transactions took place in the financial period.

#### Expenditure related party transactions

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

##### South Tyneside Homes Limited

Director in common, J Welsh.

During the year, South Tyneside Homes Limited charged the Trust £Nil (2021 - £449) in respect of property repairs.

In entering into the transaction the academy trust has complied with the requirements of the Academy Trust Handbook 2021.

At the balance sheet date the amount due to South Tyneside Homes Limited was £Nil (2021 - £Nil).

### 26 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2022 the academy trust received £11,059 and disbursed £11,059 from the fund. An amount of £Nil is included in other creditors relating to undistributed funds that is repayable to ESFA.

Comparatives for the accounting period ending 31 August 2021 are £18,023 received, £18,023 disbursed and £Nil included in other creditors.