

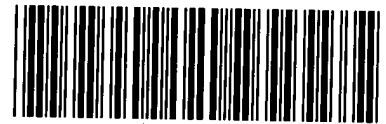
# TYNE COMMUNITY LEARNING TRUST

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2021

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# **Tyne Community Learning Trust**

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# Tyne Community Learning Trust

## Reference and Administrative Details

<b>Members</b>	R H Moore P Rikeard J Robinson C Hardman K Brown
<b>Trustees (Directors)</b>	G C S Bruce S Goldberg M M Harris C P Hughes Professor D Leat R H Moore V Orr A M Richardson (resigned 30 November 2020) Reverend Dr H Savage J R Sedgewick D Clark (appointed 17 December 2020)
<b>Company Secretary</b>	H Beaton
<b>Senior Management Team</b>	A Witherow, Chief Executive Officer H Beaton, Chief Operating Officer A Moore, Headteacher - Prudhoe Community High School R Oades, Headteacher - Highfield Middle School L Barker, Headteacher - Whittonstall & Broomley First Schools A Hudson, Headteacher - Ovingham CofE & Mickley First Schools K Jacobs, Headteacher - Prudhoe Castle First School S Gibbon, Headteacher - Wylam First School J Bullock, Headteacher - Ovingham Middle School
<b>Principal and Registered Office</b>	Ovingham Middle School House Ovingham Prudhoe Northumberland NE42 6DE
<b>Company Name</b>	Tyne Community Learning Trust
<b>Company Registration Number</b>	11914646
<b>Auditors</b>	MHA Tait Walker Bulman House Regent Centre Gosforth Newcastle upon Tyne NE3 3LS
<b>Bankers</b>	Lloyds Bank Plc 54 Fawcett St Sunderland SR1 1SF
<b>Solicitors</b>	Muckle LLP Time Central 32 Gallowgate Newcastle upon Tyne NE1 4BF

# **Tyne Community Learning Trust**

## **Trustees Report for the Year Ended 31 August 2021**

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year to 31 August 2021. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The Trust operates 9 schools in the Prudhoe area of Northumberland, 6 first schools, 2 middle schools and 1 high school. Its academies have a combined pupil capacity of 2269 (Reception to Year 11) and had a roll of 1914 in the 9 schools on the census in October 2020. In addition the Trust has 204 post 16 pupils and approximately 54 nursery pupils. The Trust was incorporated on 29 March 2019 and the 9 schools converted together to become academies on 1 September 2019.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Constitution**

The Academy Trust was incorporated on 29 March 2019 and is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Directors of Tyne Community Learning Trust are also the Directors of the charitable company for the purposes of company law. The charitable company is known as Tyne Community Learning Trust.

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.

#### **Governors Indemnities**

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 unlimited cover.

#### **Method of Recruitment and Appointment or Election of Directors**

Recruitment and Appointment of Directors was carried out as set out in the Memorandum and Articles of Association for Tyne Community Learning Trust. The Memorandum of Association allows the following:-

- No fewer than 5 directors appointed under article 50
- Chief Executive Officer
- Co-opted directors

The number of Directors shall not be less than 3 but shall not be subjected to any maximum.

The term of office for any Director shall be 4 years or a shorter period if specified at the time of appointment by the person or body appointing. Subject to remaining eligible to be a particular type of directors, any directors may be re-appointed or re-elected.

# **Tyne Community Learning Trust**

## **Trustees Report for the Year Ended 31 August 2021 (continued)**

### **Policies and Procedures Adopted for the Induction and Training of Directors**

The training and induction provided for new Directors depends upon their existing experience and background. Each governor completed a Skills Audit to determine their level of experience and expertise. Induction is done informally and is tailored to meet the specific needs of the individual governors. Directors and members of Local Governing Bodies (LGB's) have been offered training courses and updates as per the skills set needs of the Board and individual LGB's in addition to specific courses offered by the Local Authority and other bodies.

### **Organisational structure**

The Directors are responsible for, and oversee, the management and administration of the Trust. The Directors are accountable to external government agencies including the Charity Commission and the Department for Education.

The Board of Directors agreed to set up a Local Governing Body (LGB) for each individual school. The Board delegated to the LGB's responsibility for setting general policy and the day to day management of each school in line with the agreed Scheme of Delegation.

The Board agreed to establish 2 committees and committee terms of reference outlined below:

### ***Audit and Risk***

The Audit and Risk Committee is a Committee of the Board and is authorised to:

- Audit – To review outcomes of audits, of all types, and monitor remedial actions through to completion.
- Risk – To monitor the risk of the organisation and actions taken to manage risk.

### ***Staffing***

To be able to meet quickly to take decisions on critical staffing matters, such as suspension or termination as required by the scheme of delegation.

### **Trust Leadership**

The Chief Executive manages the Trust via the Senior Leadership team which comprises the Chief Executive, Chief Operating Officer and Headteachers of each school. This team meets regularly, either in person or electronically to make decisions that affect the Trust as a whole and to agree where and how schools will work together.

The leadership structure of each individual school within the MAT is tailored to meet the needs of the specific school in line with overall aims and objectives of the trust and key performance indicators.

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

Key management personnel is defined as those persons of the Trust having authority and responsibility for planning, directing and controlling the activities of the Trust, directly or indirectly and including all Trustees. Trustees are not employees of the Trust and receive no remuneration for the roles they undertake. The Trust's key management personnel are therefore the Chief Executive, Chief Operating Officer, Head Teacher/Executive Head Teacher of each school.

# **Tyne Community Learning Trust**

## **Trustees Report for the Year Ended 31 August 2021 (continued)**

Pay and remuneration of key management personnel is determined by a variety of contributory factors, such as, the school group size, ISR, the pay scales for each role e.g. Head teacher, Deputy Head teacher, the level of experience of the staff member. In addition to this, levels of pay may be effected by any nationally agreed pay awards, the ability to recruit key management personnel and retain them in post, which all coincides with the schools appointment and pay policies. All amendments to key management personnel's pay and remuneration is discussed and agreed by the Board.

### **Trade union facility time**

Relevant union officials

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

No employee time was spent on union duties.

### **Related Parties and Other Connected Charities and Organisations**

The Trust has links with the Diocese of Durham and Newcastle and accesses the Diocesan Education Office. The Trust has no connected organisations but does work with local charities in pursuit of the activities defined by the objects of the Trust.

### **Engagement with employees (including disabled persons)**

The Senior Team of the Trust meet regularly (either in person or virtually) to discuss matters that affect the Trust and to share best practice and to agree common processes and procedures, this includes the response to Covid 19.

Each school has regular management and staff meetings to share information and to get employee views on school and trust issues. This consultation has been enhanced with the need to discuss the schools response to Covid 19 and to ensure all staff are fully aware of the school risk assessment and what they need to do. We have specific Covid 19 risk assessments for vulnerable and pregnant staff that take account the nature of any disability or health condition. Our risk assessments have also been shared with all relevant trade unions for comment and any concerns raised have been addressed by the schools.

The Trust welcomes applications from people with disabilities. Where an existing employee becomes disabled every effort is made to ensure that employment within the Trust continues. The trust's policy is to provide training, career development and opportunities for promotion that are identical to those for other employees.

The Trust undertook a staff survey during the year to inform management and Trustees of any areas of concern to be addressed in future years.

# Tyne Community Learning Trust

## Trustees Report for the Year Ended 31 August 2021 (continued)

### S172(1) Statement

The Trustees consider, both individually and collectively, that they have acted to promote the success of the Trust taking into account the needs of pupils, colleagues, Trustees, members and other stakeholders and the Trust's wider role in society. In doing so they have taken into account the following matters set out in s172 (1) (a) to (f) of the Companies Act 2006:

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

The Board is mindful that the long-term success of the Trust is critically dependent on the way we work with a large number of notable stakeholders. The table below sets out our focus on the key relationships and shows how engagement with them is addressed by the Board of Trustees, committees and work streams to help the Trust's decision making. It is important for all Trustees of the Board to gain sufficient understanding of the issues relating to every stakeholder so that their views are taken into account in Board discussions.

Stakeholder Group	Form of Engagement	How this stakeholder group influenced the Board agenda and long term decision-making s172 (1)(a)

## Tyne Community Learning Trust

### Trustees Report for the Year Ended 31 August 2021 (continued)

<p>People (our employees) s172(1)(b)(e) The trust had approximately 290 employees during the year. We create an environment in which our people can make a positive contribution, develop their careers and reach their potential.</p>	<p>Our strategic plan has a number of objectives around employees and developing leadership in the Trust.</p> <p>During the year we undertook a staff survey to look at a number of areas around staff satisfaction, understanding of their role in the Trust, etc.</p> <p>At School Level: Schools have regular staff meetings and have consulted regularly during the year, particularly on Covid and school risk assessments. The Chief Executive writes regularly to staff and encourages feedback.</p> <p>Trust LGB's have employee representation</p>	<p>During the year 2019-20 the Trust has delivered Board approved employee development initiatives to motivate, engage and support high performance and to retain key talent.</p> <p>Early Career Development</p> <p>Schools are encouraged to take part in Initial Teacher Training and has joined the ...NPQ programme to develop new teaching staff</p> <p>Continuous Development</p> <p>All schools have a staff development budget to invest in their employees – we are seeking to maximise the effective use of this by investing in programmes across our family of schools. During the year most cross school training was online but this has worked well</p> <p>We support staff wellbeing and staff can access a number of paid for resources including counselling, occupational health, other health services such as smoking cessation and fitness at times that suit them</p> <p>LGB's regularly ask for the employee view from the staff governor and this is fed back to the Board via link Board members and LGB minutes.</p>
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# Tyne Community Learning Trust

## Trustees Report for the Year Ended 31 August 2021 (continued)

<p>Our Pupils s172(1)(c)(d)(e) The Trust supported our pupils during the financial year across our 9 schools. Each school has a curriculum improvement plan with targeted support for pupils with the greatest need.</p>	<p>At Board level: Our schools hold the key relationship with our pupils. This is intentional as each of our schools are very different and serve a unique set of families.</p> <p>Trustees do have an active role within our schools. During the year we established Trustee link roles where each Trustee is a named link with an Academy and attends some of their LGB meetings. This enables them to understand the pupils' needs and achievements in the school.</p> <p>When the Trust leads on core school business activity e.g. headteacher recruitment, student voice is always built in to the interview process.</p> <p>At School level, schools have extensive mechanisms to ensure the student voice is heard. For example, most schools have student councils, schools also completed student and parent surveys during the year.</p> <p>All schools consult with pupils on significant changes such as school day, plans for trips, food choice, environment etc.</p>	<p>At Board level: Education outcomes and pupil experience is at the core of all strategic plans and Trustee decision making is always informed by the qualitative and quantitative feedback set out in the column on the left.</p> <p>Trustees have been particularly focussed on the impact Covid-19 had on the pupils' progress and what the schools are implementing to mitigate its effects.</p> <p>The cancellation of formal exams has reduced the level of formal information the Board receives this year and it has relied more on the work of LGB's to ensure progress is made.</p>
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## Tyne Community Learning Trust

### Trustees Report for the Year Ended 31 August 2021 (continued)

<p>Our Suppliers s172(1)(c)(e) Provide goods and services on which we rely to deliver a quality education to our pupils.</p>	<p>At Board level: Trustees are responsible for the strategic running of the Trust so do not frequently interact with suppliers. Reports are submitted to the Board on matters of importance regarding goods high value procurement (over £50k). The Audit and Risk Committee consider internal audit reports on purchasing and supply to ensure the Trusts Regulations are followed.</p> <p>At School level: The Trust's robust procurement policy with delegated authorities which are within the Financial Regulations as approved by the Board. Schools regularly benchmark budgets to ensure value for money and spend against similar schools in conjunction with the central team to ensure consistency between schools.</p>	<p>At Board level: The Board sets the scheme of delegation and Financial Regulations that set out how the Trust will do business. Trustees approve high value contracts. Other than that, Trustees are not expected to interact with day to day transactional business.</p>
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# Tyne Community Learning Trust

## Trustees Report for the Year Ended 31 August 2021 (continued)

<p>Our Regulators s172(1)(c) This includes financial regulators such as the Education and Skills Funding Agency (ESFA), the Department for Education and Regional Schools Commissioner and other bodies who hold the Trust to account such as Ofsted or the Diocese (for our Church School).</p>	<p>At Board level: It is the Trust's policy to be open and transparent in line with ESFA regulations and the Nolan Principles of Public Life. Trustees work closely with our external auditors to ensure a robust annual review is conducted. The Audit and Risk Committee review the annual reports and has the opportunity to discuss any audit findings.</p> <p>At Academy/Business level: There are 4 fundamental submissions annually to the ESFA:</p> <ul style="list-style-type: none"> <li>• Annual Report and Financial Statements; this report reviews the past 12 month's operations from a corporate position.</li> <li>• Annual Academies Return,</li> <li>• Budget and budget Forecast Return Budget</li> <li>• Land and Buildings return</li> </ul> <p>Ofsted review the education standards within the Trust schools. Trustees are involved in all Ofsted inspections and have face-to-face inspection slots.</p> <p>Our Church school is also accountable to the Diocese who frequently visit our school</p>	<p>All feedback from the bodies to which we are externally accountable is fed back to the full Trust Board, discussed in Board meetings and then used to inform future activity and priorities.</p> <p>The Chief Operating Officer and the Chief Executive Officer ensure that all submitted returns are complete, accurate, consistent, timely and in compliance with ESFA's requirements. Feedback from the ESFA is usually conducted through the industry through revisions of the Academy Financial Handbook. These changes are summarised with actions required and communicated to the Board.</p> <p>External inspection reports such as Ofsted reports are always shared with the Board and relevant LGB's.</p> <p>Where appropriate, feedback or new guidance from regulatory bodies will be used to refresh school and Trust level policies. The Trust finance policies for example are reviewed each year following the release of the Academies Financial Handbook and Annual Accounts Directive. Many of the Trust HR policies were updated this year in light of the DFE Covid-19 Guidance for schools. These are scrutinised and signed off by Trustees.</p>
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# Tyne Community Learning Trust

## Trustees Report for the Year Ended 31 August 2021 (continued)

<p>Our Community and the local Environment s172(1)(d)(e) The local neighbourhood being local housing, businesses and the environment</p>	<p>Understanding the local communities our students live in is key. Community links are mainly managed at school level as they understand best the communities they serve and hold the strong links to the church, community and local businesses.</p> <p>The CEO report to the Board would include any relevant issues that the Board should be aware of. While school LGB do take the main lead in liaising and supporting community issues, where concerns are significant the Trust would get involved to support the school voice for example we have responded to consultation about schools in our catchment area changing their admission numbers.</p>	<p>Community engagement is usually driven at school level however during the pandemic the Trust took the decision of writing directly to parents. If trends or concerns in community communications are picked up these are discussed at Trust Board. School websites and social media are regularly updated with latest news items and upcoming events.</p>
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### Objectives and Activities

#### Objects and Aims

The Company's objects ("**the Objects**") are specifically restricted to the following:

(a) to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing Academies which shall offer a broad and balanced curriculum and which shall include:

Church of England schools designated as such which shall be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and having regard to any advice issued by the Diocesan Board of Education) and

other Academies whether with or without a designated religious character; but in relation to each of the Academies to recognise and support their individual ethos, whether or not designated Church of England.

(b) to promote for the benefit of the inhabitants of the areas in which the Academies are situated the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants, subject to any restrictions on the land the Trust occupies.

# Tyne Community Learning Trust

## Trustees Report for the Year Ended 31 August 2021 (continued)

### Objectives, Strategies and Activities

The Trust has set a number of core values and aims to operate by:

#### Vision

Our vision is to be beacons of excellence at the heart of the communities we serve. We will deliver exceptional educational experiences for children through inspirational teaching, high standards and ambitious goals. We expect excellence in everything we do in our schools.

#### Core Values

The Trust has the following core values at the heart of everything we do.

- Collaboration
- Innovation
- Resilience
- Respect

Our **aims** are to:

- Provide a seamless educational experience and pastoral care from nursery to 6th form that enables all learners to **achieve** their full potential
- Deliver an **aspirational** curriculum with the child at the centre together with a wealth of extracurricular opportunities to inspire all of our learners
- Ensure a continuity of support for all learners enabling them to overcome any barriers to learning
- Work with parents, carers and communities within the Trust to raise **aspirations** as well as outcomes for all learners and improve social mobility regardless of their ability or background
- Support each school to maintain and **celebrate** its individual identity
- Create an exciting learning experience for all members of our learning communities
- Invest in the highest quality of professional development to empower a committed and highly skilled team of specialist staff

# Tyne Community Learning Trust

## Trustees Report for the Year Ended 31 August 2021 (continued)

This will be done during the period 2020 to 2023 by:

Strategic Aims 2020-2023					
Focus	1.School Development	2. Governance and Leadership	3. Growth	4. Operational Excellence	5. Social Responsibility
Aims	1. To deliver the highest standards of education through school collaboration which ensures a broad and balanced curriculum and strong outcomes for all pupil groups regardless of starting points.	2. To ensure the trust is well led and governed to deliver its core strategic functions and operating efficiently, managing risk.	3. To grow the trust to support delivery of the highest standards of education and improve financial health and sustainability.	4. To ensure the trust is operationally effective and achieves improvements in performance over time.	5. To maximise the impact of the MAT on our communities whilst minimizing our footprint on the world.
Actions	1.1 Develop a shared curriculum offer to ensure breadth and depth from entry at Foundation stage to A-level.  Develop shared curriculum leadership, building expertise amongst staff.  Develop shared curriculum management systems reducing workload.	2.1 Develop the skills of leaders at all levels to evaluate and assess the needs of the organisation accurately, leading to high quality outcomes for all pupils and strong leadership practices that are sustained through strong succession planning.	3.1 Develop a clear identity as a MAT for a three tier system, with clarity of purpose and organization designed to meet the needs of a rural and semi-rural population.  Promote the work of the MAT through local and regional collaboration.  Identify future partners.	4.1 Ensure that financial processes are robust and compliant with an annual audit cycle.  Ensure financial forecasting is effective in ensuring strong financial health for the MAT.  Develop the use of financial benchmarking.	5.1 Reduce the carbon footprint of the Trust through a feasibility study for the use of renewable energy of the Estate.

# Tyne Community Learning Trust

## Trustees Report for the Year Ended 31 August 2021 (continued)

	<p>1.2 Develop a shared approach to the provision of learners with SEND leading to good progress for these learners.</p> <p>Develop shared resources, human and physical to meet the needs of the pupils with SEND.</p>	<p>2.2 Develop transparent governance structures and processes for self review and evaluation.</p> <p>Develop strong clerking support for board and local governing bodies that develops governance throughout the MAT.</p>	<p>3.2 Develop robust systems for transition arrangements and for links between schools, engaging learners early to ensure that TCLT schools are the destination of choice.</p> <p>Develop an annual programme of inter school meetings, training and networking.</p>	<p>4.2 Develop systems and procedures for the management of the estates ensuring that the school environments are fit for purpose, attractive and well utilised.</p>	<p>5.2 Review and implement improvements to organisation structures, job roles and the ways of working to ensure best and ethical use of resources.</p>
	<p>1.3 Overcome barriers to learning for all students through the development of an attendance strategy, which leads to improved attendance.</p> <p>Review and develop provision for pupil premium pupils narrowing the attainment gap.</p>	<p>2.3 Develop governance recruitment strategies that attract high caliber governors.</p> <p>Develop targeted governor and leadership CPD following systematic review of need.</p>	<p>3.3 Develop strong recruitment and retention systems attracting high caliber staff.</p> <p>Ensure strong succession planning in all areas of the MAT.</p>	<p>4.3 Develop the roles of the central team and ensure that the team has the capacity and role clarity required to undertake the business development of the MAT.</p>	<p>5.3 Review job roles across the MAT to ensure equity and embed effective and consistent policy and practice across MAT.</p>

# Tyne Community Learning Trust

## Trustees Report for the Year Ended 31 August 2021 (continued)

	<p>1.4 Improve the quality of teaching through high quality, targeted CPD for all staff.</p> <p>Tracking systems across all MAT schools.</p> <p>Effective evaluations of teaching, learning and assessment at all stages.</p>	<p>2.4 Develop risk management systems that ensure strong contingency planning and future proofing the organisation.</p>	<p>3.4 Develop school leadership structures to strengthen the performance and sustainability of small schools.</p>	<p>4.4 Develop shared systems and processes to exploit shared procurement, and make financial savings.</p> <p>Develop strong reviewing systems to review the effectiveness of SLAs and other MAT wide products and systems.</p>	<p>5.4 Work with local companies and organisations to share ideas and identify opportunities for corporate social responsibility to support education in our communities.</p>
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We are making progress in all areas of the plan, although school closures for Covid in the year has meant that progress has been slow in some areas.

### Public Benefit

The Academy provides educational services to children in the local area. The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the public benefit guidance provided by the charity Commission. The Academy Trust aims to advance for the public benefit, managing and developing schools, offering a broad curriculum set within an inclusive context. The schools in the Trust also provide opportunities for children, their parents, and the local community that they serve through a range of extra-curricular activities and opportunities. In the case of Church schools within the trust to the benefit of the parish in which they are situated and other parishes that may wish to be involved.

## STRATEGIC REPORT

### Achievements and Performance

The Board and Local Governing Bodies continue to monitor each school's performance. This is done through the use of data to benchmark academic performance. Documented analysis through school self-evaluation and school improvement planning ensure that rigorous systems and effective target setting promotes achievement and standards across the schools in the Trust. This has been difficult to do this year due to the impact of Covid 19 with the majority of pupils not being in school for part of the year, SAT's were cancelled in our primary and middle schools and our High School results have been calculated differently this year. We are aware that the schools are new but our management and teachers remain so we will continue to refer to the pre-conversion performance from Ofsted.

Covid 19 had an impact on all our schools with all schools being closed to normal attendance for part of the year. All schools remained open for the children of key workers and our schools reopened in line with national guidance subject to our risk assessments. In addition work was provided for pupils to complete at home and we made good use of online learning and resources. Vulnerable pupils were contacted regularly by their school during the closure periods. Schools communicated regularly with parents and pupils about the current situation and shared with them the risk assessments for their school reopening.



# **Tyne Community Learning Trust**

## **Trustees Report for the Year Ended 31 August 2021 (continued)**

### **BROOMLEY FIRST SCHOOL - PERFORMANCE DATA 2021**

#### **Number of staff (FTE)**

Teachers: 6.7

Support Staff: 7.2

#### **Number of Pupils**

Capacity 150 (Reception to Year 4)

Actual 138

#### **School Context Summary**

The school has pupils from Reception to Year 4.

The school last had an OFSTED inspection in June 2012 where it was rated as OUTSTANDING.

The school benefits from stable staffing with consistently strong outcomes at all levels. The school focuses on the outdoors and Forest School activities.

The school was formerly federated with Whittonstall First School and continues to operate with a single local governing body. The Executive Headteacher and Executive Deputy Headteacher are shared by the 2 schools. Some teaching staff work across the two schools also.

The school was successful in achieving 2 Condition Improvement Fund (CIF) bids in 2020, which were completed during the 2020/21 year, for roofing works and new heating to part of the school which will improve the learning environment. In 2021 a further CIF project was approved for roofing works on other parts of the school to continue the refurbishment of the school.

### **MICKLEY FIRST SCHOOL - PERFORMANCE DATA 2021**

#### **Number of staff (FTE)**

Teachers: 5.8

Support Staff: 7.5

#### **Number of Pupils**

Capacity 75 (Reception to Year 4)

Actual 86 plus approx 11 nursery places

#### **School Context Summary**

The school has pupils from Nursery to year 4.

A short OFSTED inspection in July 2017 confirmed the GOOD from September 2013 continues to be appropriate. They said it is a warm welcoming school with a distinctly inclusive feel.

# **Tyne Community Learning Trust**

## **Trustees Report for the Year Ended 31 August 2021 (continued)**

The school has a thriving nursery where most pupils move into reception.

The school has an Executive Headteacher who splits his role between Mickley and Ovingham C of E First School. This only started during 2019 and is working well. The school has its own dedicated deputy headteacher and is just starting to share teaching staff, where appropriate.

The school was successful in achieving a CIF bid, in 2020, for roofing works to part of the school which has improved the learning environment, following completion in 2020/21..

### **OVINGHAM C OF E FIRST SCHOOL - PERFORMANCE DATA 2021**

#### **Number of staff (FTE)**

Teachers: 6

Support Staff: 6.6

#### **Number of Pupils**

Capacity 150 (Reception to Year 4)

Actual 134

#### **School Context Summary**

The school has pupils from reception to year 4.

The OFSTED inspection in June 2012 graded the school as OUTSTANDING. This was confirmed in the Statutory Inspection of Anglican and Methodist Schools (SIAMS) inspection in September 2017 which focuses on the schools Christian vision and how this enables pupils to flourish, they said it is a traditional school near the heart of the village.

The school is adjacent to Ovingham Middle School with large grounds and a wide range of opportunities to allow pupils to grow academically and spiritually.

The school has an Executive Headteacher who splits his role between Mickley and Ovingham C of E First School. The school has its own dedicated Deputy Headteacher and is just starting to share teaching staff, where appropriate.

The caretaker works across this school and the next door middle school.

### **PRUDHOE CASTLE FIRST SCHOOL - PERFORMANCE DATA 2021**

#### **Number of staff (FTE)**

Teachers: 4.4

Support Staff: 6.1

# **Tyne Community Learning Trust**

## **Trustees Report for the Year Ended 31 August 2021 (continued)**

### **Number of Pupils**

Capacity 150 (Reception to Year 4)

Actual 63 plus approximately 13 nursery places

### **School Context Summary**

The school has pupils from nursery to year 4.

The school had a full OFSTED inspection in May 2019 which rated the school as GOOD. The report said that pupils benefit greatly from the caring and family ethos in all aspects of school life and enjoy being at the school.

The school has a nursery where most pupils move into reception.

The school has a Headteacher but no Deputy Headteacher due to the small size of the school

The school was successful in achieving a CIF bid in 2020 for replacing the heating, which along with the roof which Northumberland County Council replaced in Summer 2020 as part of the conversion agreement, improved the learning environment in 2020/21.

### **WHITTONSTALL FIRST SCHOOL - PERFORMANCE DATA 2021**

#### **Number of staff (FTE)**

Teachers: 2.9

Support Staff: 4.7

#### **Number of Pupils**

Capacity 70 (Reception to Year 4)

Actual 63 plus approximately 8 nursery pupils

#### **School Context Summary**

The school has pupils from nursery to year 4.

The school had a short OFSTED inspection in June 2019 which continued to rate the school as GOOD for the second time following a full inspection in February 2012. The report says it is recommended the next inspection is a full one as the school continues to improve. The report also said there is a strong culture of learning and behaviour in pupils and strong levels of professionalism in staff.

The school has a nursery where most pupils then move into reception.

The school was formerly federated with Broomley First School and continues to operate with a single local governing body. The Executive Headteacher and Executive Deputy Headteacher are shared by the 2 schools. Some teaching staff work across the two schools also.

# **Tyne Community Learning Trust**

## **Trustees Report for the Year Ended 31 August 2021 (continued)**

### **WYLAM FIRST SCHOOL - PERFORMANCE DATA 2021**

#### **Number of staff (FTE)**

Teachers: 7.6

Support Staff: 9.6

#### **Number of Pupils**

Capacity 150 (Reception to Year 4)

Actual 131 plus approximately 22 nursery pupils

#### **School Context Summary**

The school takes pupils from nursery to year 4.

The school had a full OFSTED inspection in May 2008 which rated the school as OUTSTANDING.

The school is at the heart of village life with excellent links to the local community

The school has a nursery where most pupils move into reception.

The school has a Headteacher and an Assistant Headteacher

The school was successful in achieving a CIF bid in 2020 for heating works which improved the learning environment in 2020/21 along with other improvements the school made to the nursery.

### **HIGHFIELD MIDDLE SCHOOL - PERFORMANCE DATA 2021**

#### **Number of staff (FTE)**

Teachers: 23.6

Support Staff: 16.4

#### **Number of Pupils**

Capacity 480 (Year 5 to Year 8)

Actual 401

#### **School Context Summary**

The school takes pupils between year 5 to year 8.

A full OFSTED inspection in July 2018 rated the school as GOOD. The report said that the successful vision of school leaders is to knit together 'academic excellence, personal development and well-being' for the benefit of the pupils in their care.

## **Tyne Community Learning Trust**

### **Trustees Report for the Year Ended 31 August 2021 (continued)**

The school has a Headteacher a Deputy Headteacher and an Assistant Headteacher

The school has around the national average number of pupils who access free school meals and pupil premium.

#### **OVINGHAM MIDDLE SCHOOL - PERFORMANCE DATA 2021**

##### **Number of staff (FTE)**

Teachers: 16.7

Support Staff: 12.4

##### **Number of Pupils**

Capacity 384 (Year 5 to Year 8)

Actual 323

##### **School Context Summary**

The school has pupils between year 5 and year 8.

A short OFSTED inspection in June 2017 confirmed the GOOD rating from the December 2012 full inspection continued to be appropriate. The report said there is a real sense of community and of pupils' support, respect and care for one another.

The school is adjacent to the First School at the edge of the village and benefits from large grounds that allow for many sporting activities.

The school has a Headteacher and a Deputy Headteacher.

#### **PRUDHOE COMMUNITY HIGH SCHOOL - PERFORMANCE DATA 2021**

This is from the teacher assessed data for the public examinations

##### **Key Stage 4**

Number of Pupils	196
Attainment 8	54.48
% achieving 5+ English/maths	53.1
% entering EBACC	43.4
EBACC average points score	4.75 (5.78 for students with an EBacc entry)

## Tyne Community Learning Trust

### Trustees Report for the Year Ended 31 August 2021 (continued)

#### Sixth Form (16-18)

Number of Students/No of A level students	97/83
Average Result (points/grade)	37.91/B-
Achieving AAB or higher, including at least 2 facilitating subjects	34.04%
Number of students with an applied general qualification entry	44
Average result (points/grade)	38.21/D+

#### Number of staff (FTE)

Teachers: 45

Support Staff: 26.3

#### Number of Pupils

Capacity 660 (Year 9 to Year 11)

Actual 575 plus 203 post 16 pupils

#### School Context Summary

The school has pupils from year 9 to year 13.

The school had a full OFSTED inspection in September 2017 and the rating was GOOD. The report said the school is at the heart of the community and many local groups use the schools sports facilities out of school time, which are large and of a high standard.

The school is in a new building completed in 2016 and has extensive grounds and a wide range of facilities.

The school has a Headteacher, a Deputy Headteacher and 3 Assistant Headteachers.

#### Going Concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future.

For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

# **Tyne Community Learning Trust**

## **Trustees Report for the Year Ended 31 August 2021 (continued)**

### **Promoting the success of the company**

The directors of a company act in a way most likely to promote the success of the company, and in doing so have regard to:

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

This is considered during every meeting of the Board.

### **FINANCIAL REVIEW**

The Board has responsibility for ensuring the sound financial management of the Trust's resources including appropriate planning, monitoring and probity. Key financial policies adopted during the period include the Financial Regulations which lays out the framework for financial management including financial responsibilities of the Board, Chief Executive, Chief Operating Officer, Head teachers and administration staff, including delegated authority of expenditure, fraud and bribery. Other policies adopted include Treasury Management, Risk Management and Business Continuity Policies to ensure rigorous financial systems are in place.

Covid 19 had an adverse impact on the Trusts finances in a number of areas. In income we had reduced income from catering, out of school care, trips and nursery income due to closure or reduced numbers. In catering this was partially offset by reduced food costs and for trips the net effect was zero as we also did not incur any costs. We also incurred additional costs particularly for cleaning (staff and materials) and lunchtime supervision, where lunches were taken in smaller groups requiring more supervision. Many of these costs as well as the costs of exceptional absence were reimbursed by either ESFA or Northumberland County Council from various grants. With this support, financially the Trust was not materially impacted.

The Trust has commissioned RSM, to carry out a programme of internal audit reviews, including an analysis of risks and recommendations for improvement. This enables the Audit Committee to monitor the adequacy and effectiveness of the Trusts policies and systems of internal control.

The majority of the Trusts' income for the period of account is obtained from either the ESFA (Education and Skills Funding Agency) or Local Authorities as commissioners of pupil places, the use of which is restricted to particular purposes. The grants and funding received from these bodies for the period and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the period ending 31 August 2021 total expenditure of £12,995,000 was higher than grant funding from the ESFA and commissioned place income from Local Authorities together with other incoming resources. The deficit before the actuarial gain on the LGPS of income over expenditure for the period was £424,000. This was more than covered by reserves.

At 31 August 2021 the net book value of fixed assets was £24,830,000 the assets were used exclusively for providing education and associated support to the pupils in the academies within the Trust.

# **Tyne Community Learning Trust**

## **Trustees Report for the Year Ended 31 August 2021 (continued)**

Under accounting standard FRS102, it is necessary to charge projected deficits on the Local Government Pension Scheme, which is provided for support staff, to the restricted Fund. This resulted in the pension fund showing a deficit of which has been carried forward to 2021/22. It should be noted that this does not present liquidity problem for the Trust and that we are reviewing contributions to the pension scheme in order to see a reduction in the pension deficit in future periods.

### **Reserves Policy**

The Trust considers that the total reserves for the Trust should be a minimum of 8% (approx £1m) which would be approximately one months expenditure. This would allow the Trust to deal with any unforeseen emergencies in the short term and for large planned expenditure such as the 3G pitch refurbishment. The 2021/22 budget shows that over the 3 year forecast reserves come down to this level due to a dip in pupil numbers so the Board does not consider there are surplus reserves currently.

During the period to 31 August 2021 the Academy held sufficient reserves within the GAG restricted fund, and unrestricted fund to over one month's expenditure in total although this is not the case for all schools in the Trust.

### **Investment Policy**

The Board of Directors are committed to ensuring that all funds under their control are rigorously administered under a risk adverse investment strategy. The Academy will look to implement an Investment Policy but do not consider the investment of surplus funds as a primary activity at this time, given the low rates of return available.

### **Principal Risks and Uncertainties**

The Academy Trust has agreed a Risk Management Policy. A Trust Risk Register has been compiled and each risk area has been evaluated. The Trust policy is to adopt best practice in the identification, evaluation and effective control of known risk to ensure they are managed to an acceptable level.

The principal risks and uncertainties facing the Academy are:

The continued impact of the Covid 19 pandemic. The schools carried out major risk assessments that covered all areas of school operation both to manage delivery. These took account of national guidance, guidance from the local authority and the input of unions, staff and management. The process was overseen by the Board. This process continues to be developed as the pandemic guidance is updated and is an ongoing process for the Trust. Some of the main changes relate to hygiene, cleaning and how pupils access the school and its facilities.

Financial – the Academy has considerable reliance on continued Government funds through the ESFA. In the period the majority of the Academy's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that government policy will remain the same or that public funding will continue at the same levels or on the same terms. Any future changes to the national funding formula may result in a drop in income, so directors need to remain aware of any potential change to funding structures.

The Directors have assessed the other major risks to which the Academy is exposed, in particular those relating to Governance, premises, staffing, resources (inc IT), strategy, academic achievement, quality of learning, leadership and behaviour of pupils. The Trust policy is to adopt best practice in the identification, evaluation and effective control of known risks to ensure they are managed to an acceptable level.



# Tyne Community Learning Trust

## Trustees Report for the Year Ended 31 August 2021 (continued)

The provisions of FRS102 have been applied in full. Although the pension scheme is currently in deficit the risk is not immediate but is likely to result in higher contributions in the future.

Further potential risks may come as numbers fluctuate over time. This could affect the amount of funding available to schools. The demographics for the local area show that the number of pupils could decrease over the next few years which will affect the finances in our schools.

### Fundraising

The Trust does not work with any professional fundraising organisations.

Fundraising is restricted to school events such as non-uniform days, school fairs and school performances where donations are encouraged but not expected and proceeds are either donated to a named charity or accepted into the school funds. The Trust's charging and remissions policy sets out where contributions are requested. There have been no complaints received about any of these activities.

Some of our schools also have PTA's who raise money for their school. The participants are parents of pupils in the school, their family and friends.

The Trust has successfully applied to the ESFA capital fund, the Condition Improvement Fund, to raise capital for building improvement. These grant application activities are carried out by Trust staff supported by buildings professionals where required to support the technical aspect of the bids.

Covid 19 impacted on this area and no fundraising activities were carried out in the schools during most of the year, but this was not anticipated to be a major source of funds for any schools in the Trust.

### Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data	2020/21	2019/20
Energy consumption used to calculate emissions (kwh)	2,820,897	2,671,577
Energy consumption breakdown (kwh)		
Gas	2,038,841	1,824,421
Electricity	688,206	781,690
Oil	93,150	62,100
Transport Fuel	812	3,366
Scope 1 emissions in metric tonnes CO2e		
Gas consumption	373.43	335.46
Oil	24.98	16.63
Total Scope 1	398.41	352.09
Scope 2 emissions in metric tonnes CO2e		

# Tyne Community Learning Trust

## Trustees Report for the Year Ended 31 August 2021 (continued)

Purchased electricity	146.13	174.43
Scope 3 emissions in metric tonnes CO2e		
Business Travel in employee owned vehicles	0.23	0.94
Total Gross emissions in metric tonnes CO2e	544.77	527.45
Intensity ratio tonnes CO2e per pupil	0.26	0.25

### Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol - Corporate Standard and have used the 2021 UK Government Conversion Factors for Company Reporting.

#### Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

#### Measures taken to improve energy efficiency

CIF funding has let us renew heating in three schools, roofs have been refurbished in two schools and in one more school the local authority refurbished the roof as part of the conversion agreement to help improve energy efficiency. We have increased video conferencing for staff meetings, training and conferences. We have PV panels on a number of schools and have commissioned a report on how we can increase energy generation on our sites when we can secure funding.

### PLANS FOR FUTURE PERIODS

- Create outward-facing schools which work with other schools and organisations – in a climate of mutual challenge – to champion best practice and secure excellent achievements for all pupils;
- To strengthen partnership within the MAT with a focus on teaching and learning, utilising growing expertise and experience from existing and new schools.
- To maintain financial stability:
  1. Critically review the financial performance of each school and implement efficiencies where required; and
  2. To promote economies of scale driving efficiencies through ensuring best value for money when procuring services and resources.

#### How we aim to achieve our Vision for the future

- Regular Senior Leadership meetings with the Chief Executive, Headteachers and the Chief Operating Officer;
- Shared staff development Days;

# **Tyne Community Learning Trust**

## **Trustees Report for the Year Ended 31 August 2021 (continued)**

- Inter school working groups to look at shared curriculum offers and improving school performance including ensuring successful transition between school stages;
- Networking of staff;
- Evidence of impact on systems within schools and outcomes in each school;
- Challenge from the Directors of the Trust, associated committees, Local Governing Bodies and external agencies, evident in minutes of meetings; and
- Continue to drive economies such as the current creation of trust roles for areas such as governance and SENDco and Early years leadership roles.

### **Auditor**

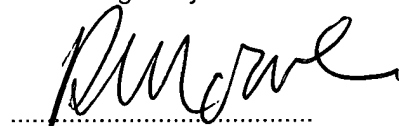
Insofar as the trustees are aware:

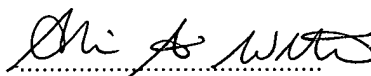
- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

### **Reappointment of auditor**

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

The Trustees Report, incorporating a Strategic Report, was approved by order of the members of the Governing Body on 1 December 2021 and signed on its behalf by:

  
.....  
R H Moore  
Trustee

  
.....  
A Witherow  
Chief Executive Officer

# Tyne Community Learning Trust

## Governance Statement

### Scope of Responsibility

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

The Board of Directors has delegated the day-to-day responsibility to the Chief Executive 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 agreements between Tyne Community Learning Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Directors any material weaknesses or breakdowns in internal control.

### Governance

The information on governance included here supplements that are described in the Directors Report and in the Statement of Directors Responsibilities. The board of directors has formally met 11 times during the period. Attendance during the period at meetings of the Board of Trustees was as follows:

	Meetings Attended	Out of a possible
Graeme Bruce (Deputy Chair)	10	11
Deborah Clark (from 17/12/20)	6	7
Simon Goldberg	8	11
Mavis Harris	9	11
Christopher Hughes	9	11
David Leat	10	11
Robert Moore (Chair)	11	11
Victoria Orr	9	11
Andrew Richardson (to 30/11/20)	1	3
Helen Savage	10	11
John Sedgewick	9	11

# Tyne Community Learning Trust

## Governance Statement (continued)

Meetings were online throughout the year to take account of the pandemic restrictions and ensured that all business continued to be carried out and the Board was able to meet regularly. One of the Board meetings was an additional one, called at short notice in January to discuss the latest guidance on school closures and how the Trust would respond, e.g. staying open for the children of key workers and nursery children as well as our online learning plans.

Data provided to the board in order to make financial and academic decisions has been strong, timely, accurate and efficient. There was less performance data than usual due to the impact of Covid 19 on formal assessments although the Board was provided with data at a school level on how pupils were performing compared to expectations.

Going forward, directors recognise challenges presented with small schools in an area where there is little natural growth in pupil numbers.

The Trust operates a small number of committees of the Board as well as the local governing bodies.

### Audit and Risk Committee

Attendance at the audit committee was:

	Meetings Attended	Out of a possible
Deborah Clark (from 17/12/20)	2	2
Christopher Hughes	3	4
Joan Louw (Independent Specialist and Chair)	4	4
David Leat	4	4
Victoria Orr	4	4

The Audit and Risk Committee is a sub-committee of the main Board of Trustees. Its purpose is to review outcomes of audits and monitor remedial actions through to completion, to review the statutory accounts and the information presented and to monitor risk management within the trust.

The committee were pleased to note that there were no serious control issues

### Staffing Committee

The staffing committee meets when urgent decisions are required relating to staffing in the Trust, and it did not need to meet during the year.

# **Tyne Community Learning Trust**

## **Governance Statement (continued)**

### **Review of Value for Money**

As accounting officer the Chief Executive has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

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

- Developing school to school support which uses in house expertise
- Offering training and challenge across the trust
- Completing 5 CIF projects to improve premises at four of our first schools and obtaining another CIF project in 2021 for more roof works
- Reduced photocopying costs at a further 2 schools as contracts came due by joint procurement and the use of frameworks
- Procuring a Trust wide telephone system that will meet the future needs of the schools and enable phones to be manned by other schools in times of staff absence or other problems such as power issues at a school

As contracts have become due for renewal the Trust has looked to achieve efficiency savings by joint procurement and seeking quotes from alternative suppliers which has produced savings in a number of areas.

### **The Purpose of the System of Internal Control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Tyne Community Learning Trust to 31 August 2021 and up to the date of approval of the annual report and financial statements.

### **Capacity to Handle Risk**

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is reviewed by the Board of Trustees on a termly basis.

### **The Risk and Control Framework**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Directors ;

# Tyne Community Learning Trust

## Governance Statement (continued)

- regular reviews by the Audit and Risk Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programs;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines in the Financial Regulations;
- delegation of authority and segregation of duties; and
- identification and management of risks

The Board of Trustees has considered the need for a specific internal audit function and has decided:

- To appoint RSM to undertake a programme of internal assurance for the year ending 31 August 2021, and this will continue in 2021/22.

The program of Internal Assurance includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems, based on a review of the Trust's risk register. In particular the checks carried out in the current period included:

- testing of budget setting and monitoring
- testing of estate management and compliance
- testing of purchase ordering, receipting and payments
- review and testing of risk management

At each meeting of the the Audit and Risk Committee, RSM reports on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. Items identified as a result of the internal assurance visit have been added to the MAT's finance improvement plan.


### Review of Effectiveness

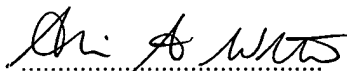
As accounting officer the Chief Executive has responsibility for reviewing the effectiveness of the system of internal control. During the in question the review has been informed by:

- the work o the external auditor
- the results of the internal assurance work undertaken in the period
- the work of the Head teachers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework, in conjunction with the central team, who provide financial support.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Audit and Risk Committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the Governing Body on 1 December 2021 and signed on its behalf by:

  
.....  
R H Moore  
Trustee

  
.....  
A Witherow  
Chief Executive Officer

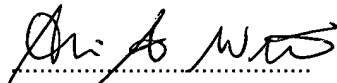
## **Tyne Community Learning Trust**

### **Statement of Regularity, Propriety and Compliance**

As Accounting Officer of Tyne Community Learning Trust I have considered my responsibility to notify the academy trust Governing Body and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the academy trust Governing Body are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2020.

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.



A Witherow  
Accounting officer

1 December 2021



# Tyne Community Learning Trust

## 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 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:

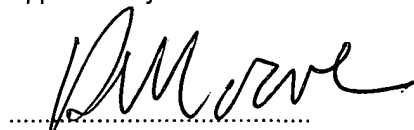
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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.

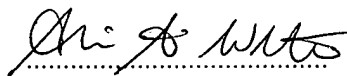
The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements 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 by order of the members of the Board on 1 December 2021 and signed on its behalf by:

  
.....  
R H Moore  
Trustee

  
.....  
A Witherow  
Chief Executive Officer

# **Tyne Community Learning Trust**

## **Independent Auditor's Report on the Financial Statements to the Members of Tyne Community Learning Trust**

### **Opinion**

We have audited the financial statements of Tyne Community Learning Trust (the 'Academy') for the year ended 31 August 2021, 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 2020 to 2021 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 2021 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 2020 to 2021.

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

### **Conclusions relating to going concern**

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

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

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

### **Other information (covers the Reference and Administrative Details, 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.

# **Tyne Community Learning Trust**

## **Independent Auditor's Report on the Financial Statements to the Members of Tyne Community Learning Trust (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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the has 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 .

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 trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 31], the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

# **Tyne Community Learning Trust**

## **Independent Auditor's Report on the Financial Statements to the Members of Tyne Community Learning Trust (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;
- reading correspondence with regulators including the OFSTED;
- reviewing minutes of those charged with governance;
- reviewing internal assurance reports; and
- reviewing financial statement disclosures and testing to 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.

## Tyne Community Learning Trust

### Independent Auditor's Report on the Financial Statements to the Members of Tyne Community Learning Trust (continued)

#### Use of our report

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

*MHA Tait Walker*

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

Date: *15th December 2021*

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

# **Tyne Community Learning Trust**

## **Independent Reporting Accountant's Assurance Report on Regularity to Tyne Community Learning Trust and the Education and Skills Funding Agency**

In accordance with the terms of our engagement letter dated 22 April 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Tyne Community Learning Trust during the period 1 September 2020 to 31 August 2021 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 1 September 2019 and the Academies Financial Handbook extant from 1 September 2020, 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 2020 to 2021. 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 2020 to 31 August 2021 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 Accounting Officer;
- Discussions with the Accounting Officer and finance team;
- Review documentation provided to Governors and Accounting Officer setting out responsibilities;
- Obtained formal letter of representation detailing the responsibilities of Governors;
- Review of payroll, purchases and expenses claims on a sample basis;
- Confirmation that the lines of delegation and limits set have been adhered to;

## **Tyne Community Learning Trust**

### **Independent Reporting Accountant's Assurance Report on Regularity to Tyne Community Learning Trust and the Education and Skills Funding Agency (continued)**

- Evaluation of internal control procedures and reporting lines;
- Review cash payments for unusual transactions;
- Review of credit card transactions;
- Review of register of interests;
- Review related party transactions;
- Review of borrowing agreements;
- Review of land and building transactions;
- Review of potential and actual bad debts;
- Review an instance of gifts/hospitality to ensure in line with policy;
- Consideration of governance issues.

#### **Conclusion**

In the course of our work nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year from 1 September 2020 to 31 August 2021 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 Tyne Community Learning Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to Tyne Community Learning Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Tyne Community Learning Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

*MHA Tait Walker*

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

Date: *15th December 2021*

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

# Tyne Community Learning Trust

## 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>					
Voluntary income					
Donations and capital grants	2	50	-	196	246
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	239	11,820	-	12,059
Other trading activities	4	266	-	-	266
Total		555	11,820	196	12,571
<b>Expenditure on:</b>					
<i>Charitable activities:</i>					
Academy trust educational operations	7	27	12,380	588	12,995
Net income/(expenditure)		528	(560)	(392)	(424)
Transfers between funds		-	(106)	106	-
<b>Other recognised gains and losses</b>					
Actuarial gains/(losses) on defined benefit pension schemes	27	-	460	-	460
Net movement in funds/(deficit)		528	(206)	(286)	36
<b>Reconciliation of funds</b>					
Total funds/(deficit) brought forward at 1 September 2020		499	(4,452)	25,251	21,298
Total funds/(deficit) carried forward at 31 August 2021		1,027	(4,658)	24,965	21,334



# Tyne Community Learning Trust

## Statement of Financial Activities for the Period from 29 March 2019 to 31 August 2020 (including Income and Expenditure Account)

	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total 2020 £ 000
<b>Income and endowments from:</b>					
Voluntary income					
Donations and capital grants	2	148	-	463	611
Transfer from local authority on conversion		-	(1,920)	25,175	23,255
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	269	11,063	-	11,332
Other trading activities	4	267	-	-	267
Investments	5	1	-	-	1
Total		685	9,143	25,638	35,466
<b>Expenditure on:</b>					
<i>Charitable activities:</i>					
Academy trust educational operations	7	186	12,101	541	12,828
Net income/(expenditure)		499	(2,958)	25,097	22,638
Transfers between funds		-	(154)	154	-
<b>Other recognised gains and losses</b>					
Actuarial gains/(losses) on defined benefit pension schemes	27	-	(1,340)	-	(1,340)
Net movement in funds/(deficit)		499	(4,452)	25,251	21,298
<b>Reconciliation of funds</b>					
Total funds/(deficit) carried forward at 31 August 2020		499	(4,452)	25,251	21,298


# Tyne Community Learning Trust

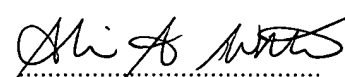
(Registration number: 11914646)

## Balance Sheet

	Note	31 August 2021 £ 000	31 August 2020 £ 000
<b>Fixed assets</b>			
Tangible assets	12	24,830	25,217
<b>Current assets</b>			
Stocks	13	1	-
Debtors	14	386	490
Cash at bank and in hand		3,789	2,314
		<u>4,176</u>	<u>2,804</u>
Creditors: Amounts falling due within one year	15	<u>(2,429)</u>	<u>(1,785)</u>
Net current assets		<u>1,747</u>	<u>1,019</u>
Total assets less current liabilities		26,577	26,236
Creditors: Amounts falling due after more than one year	16	<u>(143)</u>	<u>(108)</u>
Net assets excluding pension liability		26,434	26,128
Pension scheme liability	27	<u>(5,100)</u>	<u>(4,830)</u>
Net assets including pension liability		<u>21,334</u>	<u>21,298</u>
<b>Funds of the Academy:</b>			
<b>Restricted funds</b>			
Restricted income fund	17	442	378
Restricted fixed asset fund	17	24,965	25,251
Restricted pension fund	17	<u>(5,100)</u>	<u>(4,830)</u>
		20,307	20,799
<b>Unrestricted funds</b>			
Unrestricted income fund	17	<u>1,027</u>	<u>499</u>
Total funds		<u>21,334</u>	<u>21,298</u>

The financial statements on pages 38 to 70 were approved by the trustees, and authorised for issue on 1 December 2021 and signed on their behalf by:

  
 .....  
 R H Moore  
 Trustee

  
 .....  
 A Witherow  
 Chief Executive Officer

# Tyne Community Learning Trust

## Statement of Cash Flows

		2021 £ 000	Period ended 31 August 2020 £ 000
	Note		
<b>Cash flows from operating activities</b>			
Net cash provided by (used in) operating activities	21	1,489	2,276
<b>Cash flows from investing activities</b>	23	(60)	(119)
<b>Cash flows from financing activities</b>	22	46	157
<b>Change in cash and cash equivalents in the year</b>		1,475	2,314
<b>Cash and cash equivalents at 1 September</b>		2,314	-
<b>Cash and cash equivalents at 31 August</b>	24	3,789	2,314

# Tyne Community Learning Trust

## Notes to the Financial Statements for the Year Ended 31 August 2021

### 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 2020 to 2021 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 trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

#### Income

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

#### Grants

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period 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.

# **Tyne Community Learning Trust**

## **Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)**

### **1 Accounting policies (continued)**

#### **Sponsorship income**

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

#### **Donations**

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

#### **Other income**

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the academy trust has provided the goods or services.

#### **Investment income**

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

#### **Donated goods, facilities and services**

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

#### **Transfer on conversion**

Where assets and liabilities are received by the academy trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. An equal amount of income is recognised as transfer on conversion within donations and capital grant income.

#### **Donated fixed assets**

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

# Tyne Community Learning Trust

## Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

### 1 Accounting policies (continued)

#### Expenditure

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

All resources expended are inclusive of irrecoverable VAT.

#### Expenditure on raising funds

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

#### Charitable activities

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

#### Tangible fixed assets

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities.

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

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

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

#### Asset class

Furniture and equipment  
Building additions  
Leasehold buildings  
IT equipment

#### Depreciation method and rate

5-10 years straight line  
20 years straight line  
125 years straight line  
2-4 years straight line

# **Tyne Community Learning Trust**

## **Notes to the Financial Statements for the Year Ended 31 August 2021 (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 14. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

# **Tyne Community Learning Trust**

## **Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)**

### **1 Accounting policies (continued)**

#### **Stock**

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

#### **Taxation**

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

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

#### **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.



# **Tyne Community Learning Trust**

## **Notes to the Financial Statements for the Year Ended 31 August 2021 (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 trustees.

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from 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 27, 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 2021. 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 £588,000 (2020 - £541,000).

# Tyne Community Learning Trust

## Notes to the Financial Statements for the Year Ended 31 August 2021 (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 period.

### 2 Donations and capital grants

	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2021 £ 000	Total period ended 31 August 2020 £ 000
Educational trips and visits	10	-	-	10	104
Capital grants	-	-	141	141	463
Other donations	40	-	9	49	44
Donated fixed assets	-	-	46	46	-
	<u>50</u>	<u>-</u>	<u>196</u>	<u>246</u>	<u>611</u>
	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total period ended 31 August 2020 £ 000	
Total 2020	<u>148</u>	<u>-</u>	<u>463</u>	<u>611</u>	

# Tyne Community Learning Trust

## Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

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

	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2021 £ 000	Total period ended 31 August 2020 £ 000
<b>DfE/ESFA revenue grants</b>					
General Annual Grant GAG	-	9,851	-	9,851	9,446
Other ESFA Group grants	-	1,246	-	1,246	1,173
	-	11,097	-	11,097	10,619
<b>Other government grants</b>					
Other Government grants	-	467	-	467	433
	-	467	-	467	433
<b>COVID-19 additional funding (DfE/ESFA)</b>					
Catch-up Premium	-	153	-	153	-
	-	153	-	153	-
<b>COVID-19 additional funding (non-DfE/ESFA)</b>					
Coronavirus exceptional support	-	-	-	-	11
Other Coronavirus funding	-	103	-	103	-
	-	103	-	103	11
<b>Non-government grants and other income</b>					
Other income	239	-	-	239	269
<b>Total grants</b>	<b>239</b>	<b>11,820</b>	<b>-</b>	<b>12,059</b>	<b>11,332</b>

# Tyne Community Learning Trust

## Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

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

	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total period ended 31 August 2020 £ 000
Total 2020	<u>269</u>	<u>11,063</u>	<u>-</u>	<u>11,332</u>

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

The funding received for coronavirus exceptional support covers £103,000 of additional staffing costs and funding to enable testing on school premises. These costs are included in notes 6 and 7 below as appropriate.

	2021 £ 000	31 August 2020 £ 000
<b>Other DfE/ESFA Grants</b>		
Rates reclaim	66	65
Student Support Services (per statement) (also known as Academy Post 16 Bursary Funding)	12	6
Pupil Premium and Service Premium	337	343
Universal Infant Free School Meals (UFSM)	139	58
Insurance	1	40
PE and Sports Grant	137	57
Year 7 Catch Up Grant	-	12
Other	47	4
Teachers' Pay Grant	<u>507</u>	<u>588</u>
	<u>1,246</u>	<u>1,173</u>

# Tyne Community Learning Trust

## Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

### 4 Other trading activities

	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2021 £ 000	Total period ended 31 August 2020 £ 000
Hire of facilities	14	-	-	14	24
Recharges and reimbursements	69	-	-	69	47
Other sales	183	-	-	183	196
	<u>266</u>	<u>-</u>	<u>-</u>	<u>266</u>	<u>267</u>
	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total period ended 31 August 2020 £ 000	
Total 2020	<u>267</u>	<u>-</u>	<u>-</u>	<u>267</u>	

### 5 Investment income

	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2021 £ 000	Total period ended 31 August 2020 £ 000
Short term deposits	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>
	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total Period ended 31 August 2020 £ 000	
Total 2020	<u>1</u>	<u>-</u>	<u>-</u>	<u>1</u>	

# Tyne Community Learning Trust

## Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

### 6 Expenditure

	Non Pay Expenditure			Total 2021 £ 000	Total period ended 31 August 2020 £ 000
	Staff costs £ 000	Premises £ 000	Other costs £ 000		
<b>Academy's educational operations</b>					
Direct costs	8,099	-	472	8,571	8,772
Allocated support costs	2,274	1,337	813	4,424	4,056
	<u>10,373</u>	<u>1,337</u>	<u>1,285</u>	<u>12,995</u>	<u>12,828</u>

	Non Pay Expenditure			Total 31 August 2020 £ 000
	Staff costs £ 000	Premises £ 000	Other costs £ 000	
Total 2020	<u>10,164</u>	<u>1,289</u>	<u>1,375</u>	<u>12,828</u>

Net income/(expenditure) for the year includes:

	2021 £ 000	2020 £ 000
Operating lease rentals	83	43
Depreciation	588	541
Fees payable to auditor - audit	10	10
Fees payable to auditor - other audit services	<u>3</u>	<u>14</u>

### 7 Charitable activities

	2021 £ 000	Period ended 31 August 2020 £ 000
Direct costs - educational operations	8,571	8,772
Support costs - educational operations	<u>4,424</u>	<u>4,056</u>
	<u>12,995</u>	<u>12,828</u>

# Tyne Community Learning Trust

## Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

### 7 Charitable activities (continued)

	Educational operations £ 000	Total 2021 £ 000	Total period ended 31 August 2020 £ 000
<b>Analysis of support costs</b>			
Support staff costs	2,274	2,274	2,042
Depreciation	588	588	541
Technology costs	267	267	241
Premises costs	749	749	748
Other support costs	546	546	484
Total support costs	<u>4,424</u>	<u>4,424</u>	<u>4,056</u>

### 8 Staff

#### Staff costs

	2021 £ 000	Period ended 31 August 2020 £ 000
<b>Staff costs during the year were:</b>		
Wages and salaries	7,252	7,159
Social security costs	666	645
Operating costs of defined benefit pension schemes	<u>2,321</u>	<u>2,162</u>
	10,239	9,966
Supply staff costs	134	121
Staff restructuring costs	<u>-</u>	<u>77</u>
	<u>10,373</u>	<u>10,164</u>

#### Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £Nil (2020: £53,669).

# Tyne Community Learning Trust

## Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

### 8 Staff (continued)

#### Staff numbers

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

	31 August 2021 No.	31 August 2020 No.
<b>Charitable Activities</b>		
Teachers	142	126
Administration and support	250	231
Management	9	9
	<u>401</u>	<u>366</u>

#### Higher paid staff

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

	31 August 2021 No.	31 August 2020 No.
£60,001 - £70,000	6	4
£70,001 - £80,000	1	1
£80,001 - £90,000	<u>1</u>	<u>1</u>

#### Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £734,204 (2020 - £699,118).

### 9 Central services

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

- Human resources;
- Financial services;
- Governance services;
- Education and support services; and
- Technology support services



# Tyne Community Learning Trust

## Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

### 9 Central services (continued)

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

actual central costs split pro rata to grant income between the schools that were part of the Trust for the whole period.

The actual amounts charged during the year were as follows:

	31 August 2021 £ 000	31 August 2020 £ 000
Broomley First School	29	29
Highfield Middle School	83	80
Mickley First School	22	20
Ovingham Church of England First School	28	28
Ovingham Middle School	67	64
Prudhoe Community High School	162	130
Prudhoe Castle First School	17	16
Wylam First School	31	33
Whittonstall First School	15	17
	<u>454</u>	<u>417</u>

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

No trustees have received remuneration or other benefits from employment with the Trust.

During the year ended 31 August 2021, no travel and subsistence expenses (2020 - £Nil) were reimbursed.

### 11 Trustees' and officers' insurance

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

# Tyne Community Learning Trust

## Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

### 12 Tangible fixed assets

	Leasehold land and buildings £ 000	Furniture and equipment £ 000	Computer equipment £ 000	Assets under construction £ 000	Total £ 000
<b>Cost</b>					
At 1 September 2020	24,177	570	576	435	25,758
Additions	35	7	105	54	201
Transfers	489	-	-	(489)	-
At 31 August 2021	24,701	577	681	-	25,959
<b>Depreciation</b>					
At 1 September 2020	178	108	255	-	541
Charge for the year	201	111	276	-	588
At 31 August 2021	379	219	531	-	1,129
<b>Net book value</b>					
At 31 August 2021	24,322	358	150	-	24,830
At 31 August 2020	23,999	462	321	435	25,217

The Academy Trust occupies land, including buildings, which are owned by one of its Members; the Newcastle Diocesan Education Board. The Members are the providers of the academies on the same basis as when they were maintained schools. The Academy Trust therefore occupies the land and buildings under a licence. The continuing permission of the Members is pursuant to, and subject to, the Members' charitable objectives and is part of the Church of England's contribution since 1847 to provide state funded education in partnership with the state. The licence delegates aspects of the management of the land and buildings to the Academy Trust, but does not vest any rights over the land in the Academy Trust. The Members have given an undertaking to the Secretary of State for Education that they will not give the Academy Trust less than two years notice to terminate the occupation of the land and buildings. Having therefore considered the basis of which the Academy Trust is occupying the land and buildings the Trustees have concluded that the value of these land and buildings will not be recognised on the Academy Trust's balance sheet.

# Tyne Community Learning Trust

## Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

### 13 Stock

	31 August 2021 £ 000	31 August 2020 £ 000
Other	1	-

### 14 Debtors

	31 August 2021 £ 000	31 August 2020 £ 000
Trade debtors	68	8
VAT recoverable	58	128
Other debtors	3	8
Prepayments	117	39
Accrued grant and other income	140	307
	<u>386</u>	<u>490</u>

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

	31 August 2021 £ 000	31 August 2020 £ 000
Trade creditors	231	401
Other taxation and social security	228	106
ESFA creditor: abatement of GAG	47	47
Loans	17	6
Other creditors	1,096	517
Accruals	228	361
Deferred income	316	218
Pension scheme creditor	266	129
	<u>2,429</u>	<u>1,785</u>

### Deferred income

	31 August 2021 £ 000	31 August 2020 £ 000
Deferred income at 1 September 2020	218	-
Resources deferred in the period	316	218
Amounts released from previous periods	(218)	-
Deferred income at 31 August 2021	<u>316</u>	<u>218</u>

The deferred income relates to income received in respect of Universal Infant Free School Meals, rates relief, trip income, catering income and nursery fees.

# Tyne Community Learning Trust

## Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

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

	31 August 2021 £ 000	31 August 2020 £ 000
Other loans	100	18
ESFA creditor: abatement of GAG	43	90
	<u>143</u>	<u>108</u>

Included within creditors: amounts falling due in more than one year is £44,525 (2020 - £17,638) of creditors due in more than five years, repayable by instalments.

Loans of £88,483 from Department of Education which is provided on the following terms: Department of Education loan (Ovingham Middle School) - 3 year loan repayable through GAG in monthly installments of £3,847 from August 2020. No interest is payable on the loan.

Loans of £1,475 from Department of Education which is provided on the following terms: Department of Education loan (Wylam First School) - 3 year loan repayable through GAG in monthly installments of £64 from August 2020. No interest is payable on the loan.

Loans of £13,781 from Salix Finance Limited which is provided on the following terms: Salix Finance Limited loan (Ovingham Middle School) - 5 year loan repayable in semiannual installments of £1,969 from October 2019. No interest is payable on the loan.

Loans of £3,857 from Salix Finance Limited which is provided on the following terms: Salix Finance Limited loan (Wylam First School) - 5 year loan repayable in semiannual installments of £964 from November 2018. No interest is payable on the loan.

Loans of £42,600 from ESFA which is provided on the following terms: ESFA loan (Broomley First School) - 10 year loan repayable in monthly installments of £367 from September 2021. No interest is payable on the loan.

Loans of £16,000 from ESFA which is provided on the following terms: ESFA loan (Mickley First School) - 9 year loan repayable in monthly installments of £148 from September 2021. No interest is payable on the loan.

Loans of £12,477 from ESFA which is provided on the following terms: ESFA loan (Prudhoe Castle First School) - 9 year loan repayable in monthly installments of £115 from September 2021. No interest is payable on the loan.

Loans of £18,000 from Salix Finance Limited which is provided on the following terms: ESFA loan (Wylam First School) - 9 year loan repayable in monthly installments of £167 from September 2021. No interest is payable on the loan.

Loans of £9,756 from Salix Finance Limited which is provided on the following terms: Salix Finance Limited loan (Prudhoe Castle First School) - 8 year loan repayable in semiannual installments of £650 from March 2021. No interest is payable on the loan.

# Tyne Community Learning Trust

## Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

### 17 Funds

	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)	378	9,851	(9,681)	(106)	442
Other DfE/ESFA	-	1,246	(1,246)	-	-
Other Government Grants	-	467	(467)	-	-
Coronavirus Exceptional Support	-	256	(256)	-	-
	<u>378</u>	<u>11,820</u>	<u>(11,650)</u>	<u>(106)</u>	<u>442</u>
<b>Restricted fixed asset funds</b>					
DfE/ESFA Capital Grants	605	142	(52)	55	750
Transfer on Conversion	24,646	-	(528)	-	24,118
Capital expenditure from GAG	-	54	(8)	51	97
	<u>25,251</u>	<u>196</u>	<u>(588)</u>	<u>106</u>	<u>24,965</u>
<b>Restricted pension funds</b>					
Pension Reserve	<u>(4,830)</u>	<u>-</u>	<u>(730)</u>	<u>460</u>	<u>(5,100)</u>
Total restricted funds	20,799	12,016	(12,968)	460	20,307
<b>Unrestricted funds</b>					
Unrestricted	<u>499</u>	<u>555</u>	<u>(27)</u>	<u>-</u>	<u>1,027</u>
Total funds	<u>21,298</u>	<u>12,571</u>	<u>(12,995)</u>	<u>460</u>	<u>21,334</u>

# Tyne Community Learning Trust

## Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

### 17 Funds (continued)

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

	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2020 £ 000
<b>Restricted general funds</b>				
General Annual Grant (GAG)	9,446	(8,914)	(154)	378
Other DfE/ESFA	1,173	(1,173)	-	-
Other Government Grants	432	(432)	-	-
Other Income	1,000	(1,000)	-	-
Coronavirus Exceptional Support	12	(12)	-	-
	<u>12,063</u>	<u>(11,531)</u>	<u>(154)</u>	<u>378</u>
<b>Restricted fixed asset funds</b>				
DfE/ESFA Capital Grants	464	(13)	154	605
Transfer on Conversion	25,174	(528)	-	24,646
	<u>25,638</u>	<u>(541)</u>	<u>154</u>	<u>25,251</u>
<b>Restricted pension funds</b>				
Pension Reserve	<u>(2,920)</u>	<u>(570)</u>	<u>(1,340)</u>	<u>(4,830)</u>
Total restricted funds	34,781	(12,642)	(1,340)	20,799
<b>Unrestricted funds</b>				
Unrestricted	<u>685</u>	<u>(186)</u>	<u>-</u>	<u>499</u>
Total funds	<u>35,466</u>	<u>(12,828)</u>	<u>(1,340)</u>	<u>21,298</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 31 August 2021.

Other DfE/ESFA grants, Local Authority grants and other income include Pupil Premium, insurance refund, PE grant, sponsorship grants, staff development grant and year 7 catch up grant.

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 LGPS, and the pension liability has therefore been aligned with these funds.

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

The restricted funds are in deficit as a result of the deficit on the LGPS pension scheme alone.

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

# Tyne Community Learning Trust

## Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

### 17 Funds (continued)

#### Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

	31 August 2021 £ 000	31 August 2020 £ 000
Broomley First School	8	(20)
Highfield Middle School	281	233
Mickley First School	27	23
Ovingham Church of England First School	32	52
Ovingham Middle School	(16)	(175)
Prudhoe Community High School	519	789
Prudhoe Castle First School	47	36
Central Services	574	(13)
Wylam First School	(20)	(42)
Whittonstall First School	17	(6)
Central services	-	-
Total before fixed assets and pension reserve	1,469	877
Fixed asset reserve	24,965	25,251
Pension reserve	(5,100)	(4,830)
Total	21,334	21,298

Ovingham Middle School is carrying a net deficit of £16,000 on these funds because:

The deficit is the result of significant financial challenges during the year of it's conversion.

The trust is taking the following action to return the academy to surplus:

A plan is now in place to address the deficit which includes in-depth reviews of cost savings and income generation opportunities with close scrutiny of management accounts at Trust level.

Wylam First School is carrying a net deficit of £20,000 on these funds because:

The deficit is the result of significant financial challenges during the year of it's conversion.

The trust is taking the following action to return the academy to surplus:

A plan is now in place to address the deficit which includes in-depth reviews of cost savings and income generation opportunities with close scrutiny of management accounts at Trust level.

# Tyne Community Learning Trust

## Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

### 17 Funds (continued)

#### Analysis of academies by cost

Expenditure incurred by each academy during the period was as follows:

	Teaching and Educational Support Staff Costs £ 000	Other Support Staff Costs £ 000	Educational Supplies £ 000	Other Costs (excluding Depreciation) £ 000	Total 2021 £ 000
Broomley First School	452	141	26	92	711
Highfield Middle School	1,588	312	44	193	2,137
Mickley First School	417	109	22	69	617
Ovingham Church of England First School	433	131	24	128	716
Ovingham Middle School	1,096	272	40	180	1,588
Prudhoe Community High School	2,919	634	246	551	4,350
Prudhoe Castle First School	290	125	25	64	504
Wylam First School	544	191	28	87	850
Whittonstall First School	277	89	16	65	447
Central services	83	270	2	132	487
Academy Trust	<u>8,099</u>	<u>2,274</u>	<u>473</u>	<u>1,561</u>	<u>12,407</u>



# Tyne Community Learning Trust

## Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

### 17 Funds (continued)

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

	Teaching and Educational Support Staff Costs £ 000	Other Support Staff Costs £ 000	Educational Supplies £ 000	Other Costs (excluding Depreciation) £ 000	Total 2020 £ 000
Broomley First School	438	99	32	92	661
Highfield Middle School	1,615	216	141	191	2,163
Mickley First School	393	61	24	56	534
Ovingham Church of England First School	397	91	23	77	588
Ovingham Middle School	1,273	216	84	171	1,744
Prudhoe Community High School	2,896	336	283	501	4,016
Prudhoe Castle First School	322	63	13	60	458
Wylam First School	513	105	32	89	739
Whittonstall First School	275	47	17	66	405
Central services	-	288	1	121	410
Academy Trust	8,122	1,522	650	1,424	11,718

### 18 Analysis of net assets between funds

Fund balances at 31 August 2021 are represented by:

	Unrestricted funds £ 000	Restricted general funds £ 000	Restricted fixed asset funds £ 000	Total funds £ 000
Tangible fixed assets	-	-	24,830	24,830
Current assets	1,027	3,014	135	4,176
Current liabilities	-	(2,429)	-	(2,429)
Creditors over 1 year	-	(143)	-	(143)
Pension scheme liability	-	(5,100)	-	(5,100)
Total net assets	1,027	(4,658)	24,965	21,334

# Tyne Community Learning Trust

## Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

### 18 Analysis of net assets between funds (continued)

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

	Unrestricted funds £ 000	Restricted general funds £ 000	Restricted fixed asset funds £ 000	Total funds £ 000
Tangible fixed assets	-	-	25,217	25,217
Current assets	527	2,243	34	2,804
Current liabilities	(28)	(1,757)	-	(1,785)
Creditors over 1 year	-	(108)	-	(108)
Pension scheme liability	-	(4,830)	-	(4,830)
Total net assets	<u>499</u>	<u>(4,452)</u>	<u>25,251</u>	<u>21,298</u>

### 19 Capital commitments

	31 August 2021 £ 000	31 August 2020 £ 000
Contracted for, but not provided in the financial statements	<u>100</u>	<u>-</u>

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

#### Operating leases

At 31 August 2021 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	31 August 2021 £ 000	31 August 2020 £ 000
Amounts due within one year	30	32
Amounts due between one and five years	<u>44</u>	<u>26</u>
	<u>74</u>	<u>58</u>

# Tyne Community Learning Trust

## Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

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

		2021 £ 000	Period end 31 August 2020 £ 000
Net (expenditure)/income		(424)	22,638
Depreciation	6	588	541
Capital grants from DfE and other capital income		(141)	(463)
Assets transferred on conversion from Local Authority		-	(25,175)
Interest receivable	5	-	(1)
Defined benefit pension scheme obligation inherited	27	-	2,920
Defined benefit pension scheme cost less contributions payable	27	650	520
Defined benefit pension scheme finance cost	27	80	50
Increase in stocks		(1)	-
Decrease/(increase) in debtors		104	(490)
Increase in creditors		633	1,736
Net cash provided by Operating Activities		<u>1,489</u>	<u>2,276</u>

### 22 Cash flows from financing activities

	2021 £ 000	Period end 31 August 2020 £ 000
Repayments of borrowing	(53)	(11)
Cash inflows from new borrowing	99	168
Net cash provided by financing activities	<u>46</u>	<u>157</u>

### 23 Cash flows from investing activities

	2021 £ 000	Period end 31 August 2020 £ 000
Dividends, interest and rents from investments	-	1
Purchase of tangible fixed assets	(201)	(583)
Capital funding received from sponsors and others	141	463
Net cash used in investing activities	<u>(60)</u>	<u>(119)</u>

# Tyne Community Learning Trust

## Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

### 24 Analysis of cash and cash equivalents

	31 August 2021 £ 000	31 August 2020 £ 000
Cash at bank and in hand	3,789	2,314
Total cash and cash equivalents	3,789	2,314

### 25 Analysis of changes in net debt

	At 1 September 2020 £000	Cash flows £000	At 31 August 2021 £000
Cash	2,314	1,475	3,789
Loans falling due within one year	(53)	(11)	(64)
Loans falling due after more than one year	(108)	(35)	(143)
Total	2,153	1,429	3,582

### 26 Members' liability

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

### 27 Pension and similar obligations

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

Contributions amounting to £266,162 (2020 - £129,370) were payable to the schemes at 31 August 2021 and are included within creditors.

#### Teachers' Pension Scheme

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

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

# Tyne Community Learning Trust

## Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

### 27 Pension and similar obligations (continued)

#### Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £1,197,890 (2020: £1,162,305).

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 and 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 2021 was £590,000 (2020 - £550,000), of which employer's contributions totalled £470,000 (2020 - £430,000) and employees' contributions totalled £120,000 (2020 - £120,000). The agreed contribution rates for future years are 19.5 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.

# Tyne Community Learning Trust

## Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

### 27 Pension and similar obligations (continued)

#### Principal actuarial assumptions

	31 August 2021	31 August 2020
	%	%
Rate of increase in salaries	4.20	3.90
Rate of increase for pensions in payment/inflation	2.70	2.40
Discount rate for scheme liabilities	1.70	1.60
Inflation assumptions (CPI)	<u>2.70</u>	<u>2.40</u>

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

	31 August 2021	31 August 2020
<b>Retiring today</b>		
Males retiring today	21.90	21.80
Females retiring today	25.10	25.00
<b>Retiring in 20 years</b>		
Males retiring in 20 years	23.60	23.50
Females retiring in 20 years	<u>23.90</u>	<u>26.80</u>

#### Sensitivity analysis

	At 31 August 2021	At 31 August 2020
	£000	£000
Discount rate +0.1%	11,210	9,540
Discount rate -0.1%	11,660	9,910
Mortality assumption – 1 year increase	11,010	9,370
Mortality assumption – 1 year decrease	11,860	10,080
CPI rate +0.1%	11,610	9,760
CPI rate -0.1%	<u>11,260</u>	<u>9,680</u>

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

	2021	31 August 2020
	£ 000	£ 000
Equities	3,520	2,620
Corporate bonds	1,270	1,120
Government bonds	130	120
Property	510	450
Cash and other liquid assets	250	90
Other	<u>650</u>	<u>490</u>
Total market value of assets	<u>6,330</u>	<u>4,890</u>

The actual negative return on scheme assets was (£1,050,000) (2020 - (£40,000)).

# Tyne Community Learning Trust

## Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

### 27 Pension and similar obligations (continued)

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

	2021	Period ended 31 August 2020
	£ 000	£ 000
Current service cost	1,120	850
Past service cost	-	100
Interest income	(80)	(80)
Interest cost	160	130
	<u>1,200</u>	<u>1,000</u>
Total amount recognised in the SOFA	<u>1,200</u>	<u>1,000</u>

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

	2021	Period ended 31 August 2020
	£ 000	£ 000
At start of period	9,720	-
Conversion of academy trusts	-	7,330
Current service cost	1,120	850
Interest cost	160	130
Employee contributions	120	120
Actuarial (gain)/loss	510	1,220
Benefits paid	(200)	(30)
Past service cost	-	100
	<u>11,430</u>	<u>9,720</u>
At 31 August	<u>11,430</u>	<u>9,720</u>

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

	2021	Period ended 31 August 2020
	£ 000	£ 000
At start of period	4,890	-
Conversion of academy trusts	-	4,410
Interest income	80	80
Actuarial gain/(loss)	970	(120)
Employer contributions	470	430
Employee contributions	120	120
Benefits paid	(200)	(30)
	<u>6,330</u>	<u>4,890</u>
At 31 August	<u>6,330</u>	<u>4,890</u>

# **Tyne Community Learning Trust**

## **Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)**

### **28 Related party transactions**

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. 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:

##### **Hadrian Window Systems Limited**

Christopher Hughes is a director of both Hadrian Window Systems Limited and Tyne Community Learning Trust.

To replace the Gatehouse windows at Prudhoe High School, an at cost agreement was obtained following the cheapest quote.

In entering into the transaction the academy trust has complied with the requirements of the Academies Financial Handbook 2020.

The element above £2,500 has been provided 'at no more than cost' and Hadrian Window Systems Limited has provided a statement of assurance confirming this.

At the balance sheet date the amount due to Hadrian Window Systems Limited was £Nil (2020 - £Nil).

##### **Hadrian Architectural Glazing Systems Limited**

Christopher Hughes is a director of both Hadrian Architectural Glazing Systems Limited and Tyne Community Learning Trust.

Glazing repair at Prudhoe high School, this transaction was under the de minimis limit.

In entering into the transaction the academy trust has complied with the requirements of the Academies Financial Handbook 2020.

The element above £2,500 has been provided 'at no more than cost' and Hadrian Architectural Glazing Systems Limited has provided a statement of assurance confirming this.

At the balance sheet date the amount due to Hadrian Architectural Glazing Systems Limited was £Nil (2020 - £Nil).