

**Company registration number 07729766 (England and Wales)**

**WHICKHAM SCHOOL AND SPORTS COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

# **WHICKHAM SCHOOL AND SPORTS COLLEGE**

## **CONTENTS**

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	<b>Page</b>
Reference and administrative details	1 - 2
Trustees' report	3 - 16
Governance statement	17 - 20
Statement on regularity, propriety and compliance	21
Statement of trustees' responsibilities	22
Independent auditor's report on the accounts	23 - 25
Independent reporting accountant's report on regularity	26 - 27
Statement of financial activities including income and expenditure account	28 - 29
Balance sheet	30
Statement of cash flows	31
Notes to the accounts including accounting policies	32 - 51

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# WHICKHAM SCHOOL AND SPORTS COLLEGE

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Members

D Warden - resigned 31/08/2022  
S L Ban  
L Levy (Chair of Members)  
D Murphy  
M Pears

### Trustees

S L Ban (Chair)  
S Alexander (Resigned 28 March 2022)  
D B Bradford (Resigned 7 April 2022)  
M A Brain  
A G Hewison  
E Ridley (Resigned 13 August 2022)  
A Wilson  
V McLeod  
A Day (Resigned 31 August 2022)  
C Hewitson  
M Crabtree (Vice Chair)  
M L Pears  
J Yeo (Resigned 31 August 2022)  
K Berry  
F I Turnbull  
Mr A J W Brown (Appointed 14 February 2022)  
S Scott (Appointed 1 September 2022)  
L C Simpson (Appointed 1 September 2022)  
J Smith (Appointed 1 September 2022)

### Senior management team

- Chief Executive Officer	S Haigh
- Head Teacher	F Turnbull
- Deputy Head Teacher	S Maher
- Deputy Head Teacher	P Wheatley
-	A McKenna
- Assistant Head Teacher	D Crosland
- Assistant Head Teacher	S Tumelty
- Associate Deputy Head Teacher	L Wood
- Associate Assistant Head Teacher	A McKenna
- Assistant Head Teacher	M Phillipson
- Business Manager	H Davison
- Chief Financial Officer	A Tinning

### Company secretary

Mrs H Davison

### Company registration number

07729766 (England and Wales)

### Registered office

Burnthouse Lane  
Whickham  
Newcastle Upon Tyne  
Tyne And Wear  
NE16 5AR  
United Kingdom

# WHICKHAM SCHOOL AND SPORTS COLLEGE

## REFERENCE AND ADMINISTRATIVE DETAILS

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### **Independent auditor**

Azets Audit Services  
Wynyard Park House  
Wynyard Avenue  
Wynyard  
TS22 5TB  
United Kingdom

### **Bankers**

Lloyds Bank plc  
5th Floor  
102 Grey Street  
Newcastle Upon Tyne  
Tyne And Wear  
NE1 6AG  
United Kingdom

### **Solicitors**

Womble Bond Dickinson  
One Trinity  
Broad Chare  
Newcastle Upon Tyne  
Tyne And Wear  
NE1 2HF  
United Kingdom

# WHICKHAM SCHOOL AND SPORTS COLLEGE

## TRUSTEES' REPORT

### *FOR THE YEAR ENDED 31 AUGUST 2022*

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The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy trust operates an academy for pupils aged 11 to 19 years old serving a catchment area in Whickham. It has a pupil admission number of 266 and had a roll of 1,682 in the school census on 6 October 2022.

#### **Structure, governance and management**

##### Constitution

The academy trust 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 trustees of Whickham School are also the directors of the charitable company for the purpose of company law. The charitable company operates as Whickham School and Sports College (Academy Trust).

Details of the trustees who served throughout the year, and to the date these accounts are approved are included in the Reference and Administrative Details on page 1.

##### Members' liability

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

##### Trustees' indemnities

Subject to the provisions of the Companies Act 2006 s236 every governor or other officer or auditor of the academy trust shall be indemnified out of the assets of the academy trust against any liability incurred by him in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the academy trust.

# WHICKHAM SCHOOL AND SPORTS COLLEGE

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### Method of recruitment and appointment or election of trustees

- The members may appoint up to 10 trustees
- The members may appoint staff representatives, provided that the number does not exceed one third of the total number of trustees
- The LA may appoint a LA representative
- The headteacher will be appointed as being an ex officio trustee
- The parent representatives shall be elected by parents of registered pupils at the academy at the time of election. Any election of parent trustees which is contested shall be held by secret ballot
- The number of parent representatives required shall be made up by parent trustees appointed by the trustees if the number of parents standing for election is less than the number of vacancies
- In appointing a parent representative, the trustees shall appoint a person who is the parent of a registered pupil at the academy; or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age

#### Co-opted Trustees

- The trustees may appoint up to one co-opted trustee. A 'co-opted trustee' means a person who is appointed to be a trustee by being co-opted by trustees who have not themselves been so appointed. The trustees may not co-opt an employee of the academy trust as a co-opted trustee if thereby the number of trustees who are employees of the academy trust would exceed one third of the total number of trustees (including the headteacher)

#### Appointment of additional trustees

- The Secretary of State may give a warning notice to the trustees where they are satisfied:
- That the standards of performance of pupils at the academy are unacceptably low
- That there has been a serious breakdown in the way the academy is managed or governed
- That the safety of pupils or staff of the academy is threatened (whether by a breakdown of discipline or otherwise)

For the purposes of Article 60 a 'warning notice' is a notice in writing by the Secretary of State to the academy trust delivered to the office setting out:

- The matters referred to in Article 19
- The action which the academy is required to take in order to remedy those matters
- The period within which that action is to be taken by the trustees ('the compliance period')

The Secretary of State may appoint such additional trustees as she thinks fit if the Secretary of State has:

- Given the trustees a warning notice in accordance with Article 19; and
- The trustees have failed to comply, or secure compliance, with the notice to the Secretary of State's satisfaction within the compliance period
- The Secretary of State may also appoint such additional trustees following an inspection by the chief inspector in accordance with the Education Act 2005 (an 'inspection') the academy trust receives an Ofsted grading (being a grade referred to in The Framework for School Inspection or any modification or replacement of that document for the time being in force) which amounts to a drop, either from one inspection to the next inspection or between any two inspections carried out within a five year period, of two Ofsted grades. For the purpose of the foregoing the grade received by Whickham School shall be regarded as the grade received by the academy.
- The Secretary of State may also appoint such further trustees as they think fit if a special measures termination event (as defined in the funding agreement) occurs in respect of the academy
- Within five days of the Secretary of State appointing additional or further trustees in accordance with Articles 21, 62A or 22 any trustees appointed holding office immediately preceding the appointment of such trustees, shall resign immediately and the members' power to appoint trustees under Article 9 shall remain suspended until the Secretary of State removes one or more of the additional trustees

# WHICKHAM SCHOOL AND SPORTS COLLEGE

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### Policies and procedures adopted for the induction and training of trustees

The trustees and head teacher believe it is essential that all new trustees receive a comprehensive induction package covering a broad range of topics. There is a commitment to ensure that the new trustees are given the necessary information and support to fulfil their role with confidence. The process is seen as an investment, leading to more effective governance and retention of trustees.

#### Purpose

- To welcome new trustees to the board and enable them to meet other trustees
- To encourage new trustees to visit the academy to experience its atmosphere and understand its ethos
- To meet the headteacher, staff and pupils
- To explain the partnership between the headteacher, academy and board
- To explain the role and responsibilities of trustees
- To explain how the board and its committee's work
- To enable new trustees to join the committee(s) of their choice
- To give background material on the academy and current issues
- To enable new trustees to ask questions about their role and/or the academy

#### New trustees will:

- Be welcomed to the board by the chair
- Be invited by the headteacher to visit the academy
- Have the opportunity to tour the academy and meet children and staff
- Receive an informal briefing on the academy from the headteacher
- Have the opportunity to meet informally with an existing trustee who then acts as their active mentor
- Be accompanied by their mentor to their first full trustee meeting
- Have the opportunity to review their first meeting with their mentor

#### New trustees will receive from governor support:

- The new trustee induction pack
- The instrument of government which notes the composition of the governing board
- A Disclosure and Barring Service (DBS) application form
- A trustee details form
- An eligibility form
- A membership list for the board
- The code of conduct for the board (if one has been agreed)
- The committee structure, terms of reference and membership for the board
- The governor support service development directory
- A copy of the most recent governor support service newsletter

#### New trustees will receive from the academy:

- The academy prospectus
- Recent academy newsletters
- A calendar of academy events
- The School Improvement Plan (SIP)
- A full list of staff and the staffing structure
- Copies of key policy statements including the academy visits policy
- A full set of papers from the last board meeting
- Details of how to contact the other trustees
- Details of how to contact the academy including the email address

#### Areas the headteacher will cover include:

- Background to the academy
- Current issues facing the academy
- Visiting the academy
- The relationship between the headteacher and board

#### Areas that the mentor will cover include:

- An overview of the trustee's role
- How the trustee and committee meetings are conducted

# WHICKHAM SCHOOL AND SPORTS COLLEGE

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### Organisational structure

The academy trust is a charitable company limited by guarantee. It has a strategic role in running the academy and is responsible for appointing the trustees. It has control over the land and other assets and delegates management of the academy to the trustees.

Subject to provisions of the Companies Act 2006, the Articles and to any directions given by special resolution, the business of the academy trust shall be managed by the trustees who may exercise all the powers of the academy trust. No alteration of the articles and no such direction shall invalidate any prior act of the trustees which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this article shall not be limited by any special power given to the trustees by the articles and a meeting of trustees at which a quorum is present may exercise all the powers exercisable by the trustees.

The Chief Executive Officer (CEO) as accounting officer, has personal responsibility to the trustees for financial and administrative matters including:

- Ensuring regularity and probity.
- Prudent and economical administration.
- Avoidance of waste and extravagance.
- Efficient and effective use of available resources.
- Day to day organisation, staffing and management of the academy has been delegated to the headteacher.

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

Arrangements for setting and reviewing pay and remuneration are reviewed annually and the pay policy is approved by governors following appropriate consultation.

The trustees and key management personnel including the CEO and Headteacher review and challenge the academy staffing structure regularly to ensure it is the best structure to meet the needs of the academy whilst maintaining financial integrity. Senior leaders' pay is tightly correlated to strong educational outcomes and sound financial management.

The academy benchmarks the size of the senior leadership team annually against that of similar schools/academies.

The CEO's remuneration is based on benchmarking of other single academy trusts (SATs) remuneration both locally and nationally. The headteacher's remuneration is based on a 7-point range in accordance with the School Teacher's Pay and Conditions Document as well as other similar sized SAT's.

There is a robust staff appraisal process, which the trust reviews annually and in turn supports with strong performance management. Pay progression recommendations are reviewed by the trustees with appropriate evidence provided to support decisions.

The trustees, with the exception of the headteacher and staff representatives, do not receive remuneration.

#### Trade union facility time

There were no employees that were union officials within the period.



# WHICKHAM SCHOOL AND SPORTS COLLEGE

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2022**

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### Engagement with employees (including disabled persons)

The trust board ensures that employees and their trade unions are given information and consulted on matters that are of concern to them. Views of employees are considered in making decisions which are likely to affect their interests.

There is regular consultation on changes to policies as a result of operational or legislative changes in regard to pay, staffing structures, and policies regarding well-being, health & safety and risk assessments which encourages the involvement of the employees in the company's performance.

In respect of applications for employment from disabled persons, the treatment of employees who become disabled and, the training, career development and promotion of disabled persons, the trust is committed to ensuring equality and opportunity for all. The trust offers necessary adjustments to support both entry to employment within the trust throughout the course of their employment.

### Engagement with suppliers, customers and others in a business relationship with the academy trust

The trust is committed to working with a number of stakeholders including suppliers, customers and charitable organisations. When entering into business relationships we ensure that we comply with the Academies Trust Handbook at all times. The trust will conduct all business relationships with integrity whilst ensuring that all approved policies assist this process.

### Related parties and other connected charities and organisations

During the accounting period the Trust did not enter into any agreements with related parties or other connected charities and organisations.

## **Objectives and activities**

### Objects and aims

#### **Our Vision**

"Whickham, a school to be proud of at the heart of the community. Where learning is cherished in a safe, caring and supportive environment.

A school where everyone is valued and inspired to be the best they can be."

We achieve this through supporting every child in developing the following qualities:

- **Aspiration:** Whickham students set aspirational goals that are ambitious and without limits
- **Respect:** Without compromise, Whickham students demonstrate respect for themselves, others and their environment.
- **Resilience:** Whickham students persevere with challenges, especially when faced with setbacks.
- **Empathy:** Whickham students strive to be kind, caring and understanding of each other's feelings and needs.

#### **Leadership**

- Staff, parents and pupils understand and live the academy values and beliefs.
- Leaders are highly effective in leading the process of school improvement and securing impact.
- The academy is engaged in partnerships that improve the quality of provision at Whickham and other schools in the local area.
- The learning environment effectively supports strong pupil progress.
- The academy is financially stable.

#### **Quality of education**

- The curriculum is aspirational, meets the needs of all pupils and results in strong pupil progress.
- High quality, holistic assessment and feedback that leads to positive progress for all.
- There is no difference in performance between boys and girls by the end of KS4.
- Removal of performance gaps between disadvantaged and other pupils.

# **WHICKHAM SCHOOL AND SPORTS COLLEGE**

## **TRUSTEES' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2022***

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### **Behaviour and attitudes**

- Pupils consistently demonstrate a positive attitude towards their learning.
- Staff and pupils create a positive learning environment rooted in mutual respect.
- Staff and pupils make a positive contribution to the academy and wider community.

### **Personal development**

- Pupils access and participate in a rich set of experiences and opportunities to develop wider life skills.
- Pupils develop the strength of character to be well rounded citizens and successful learners.

# WHICKHAM SCHOOL AND SPORTS COLLEGE

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### Objectives, strategies and activities

Our culture is one of continual self improvement. We constantly review all aspects of our work and we have a particular focus upon the following improvement priorities identified for the year ahead.

The following priorities are highlighted in our annual school improvement plan:

<p>Leaders are highly effective in the implementation of our curriculum and policies.</p>	<ol style="list-style-type: none"> <li>1. Develop an instructional coaching programme that can be fully implemented in September 2023.</li> <li>2. Use of appraisal to drive inquiry projects that are focused upon reading and narrowing the achievement gap between boys and girls.</li> <li>3. Development of a quality assurance process that ensures accurate and timely evaluation of curriculum intent, implementation and impact.</li> <li>4. Accelerate curriculum planning (intent and implementation) in technology, science and music.</li> <li>5. Ensure timely and effective support in place for staff who are not fully meeting Teacher Standards or elements of their job description.</li> </ol>
<p>Ensure students use and understand a wide vocabulary and access a wide range of experiences through reading.</p> <p>Vocabulary and reading strategies are explicitly taught across the curriculum.</p>	<ol style="list-style-type: none"> <li>1. Establish 'disciplinary literacy' across the curriculum.</li> <li>2. Agree common approaches to targeted vocabulary instruction across the curriculum.</li> <li>3. Ensure regular opportunities for extended reading are present across the curriculum.</li> <li>4. Develop pupils' ability to read and access academic texts, as well as 'reading for pleasure'.</li> </ol>
<p>Significantly reduce the progress and attainment gap between boys and girls.</p>	<ol style="list-style-type: none"> <li>1. Embed the effective use of positive language through restorative practice to avoid gender stereotypes.</li> <li>2. Use live feedback, marking and modelling effectively to address misconceptions and improve progress.</li> <li>3. Embed the following study skills             <ol style="list-style-type: none"> <li>a. Flashcards</li> <li>b. Mind maps</li> <li>c. Blank page retrieval</li> <li>d. Quizzing</li> </ol> </li> <li>4. Embed low stakes retrieval consistently across all curriculum areas.</li> </ol>
<p>Student progress is accelerated through ensuring existing Teaching &amp; learning strategies are embedded and built upon</p> <p>Existing Teaching &amp; Learning strategies are embedded and built upon</p>	<ol style="list-style-type: none"> <li>1. Scaffolding strategies are revisited during CPDL and are embedded into SoL</li> <li>2. TA agreements are in place for all classes by the end of HT1 and quality assurance processes evaluate impact upon SEND students.</li> <li>3. CPDL revisits the learning model with an emphasis on the deepening understanding phase.</li> </ol>

# WHICKHAM SCHOOL AND SPORTS COLLEGE

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

<p>Pupil conduct and behaviour for learning is consistently outstanding.</p>	<ol style="list-style-type: none"> <li>1. Relentless monitoring (recorded and analysed) of expected standards and routines across the school that results in action when standards are not met.</li> <li>2. Instructional coaching is used to enhance staff ability to create positive learning environments.</li> <li>3. Regular communication of expectations to staff and students through assemblies, letters, modelling expectations and staff training.</li> <li>4. Codification of messages and interpretation of Behaviour and Attendance policies with staff.</li> <li>5. Effective communication of expectations and issues to parents and carers through various forms of communication.</li> <li>6. Anti bullying - be kind focus through assemblies, PSHCE, tutor time and restorative approaches.</li> </ol>
<p>Pupil attendance is 1% above local and national averages.</p>	<ol style="list-style-type: none"> <li>1. Development of the work and expectations of the new attendance team.</li> <li>2. Identification of attendance concerns and early work to engage students and families to ensure a good start to the year.</li> <li>3. Relentless support and challenge for families where attendance is weak.</li> <li>4. Codification of attendance escalation processes and ensure robust application by new attendance team, all pastoral leaders and staff</li> <li>5. Effective communication of emerging needs between pastoral and achievement teams and ways to improve attendance.</li> </ol>
<p>Ensure extra-curricular participation is widened, more inclusive and rigorously tracked.</p>	<ol style="list-style-type: none"> <li>1. Ensure a wide range of extra-curricular opportunities are available to all year groups;</li> <li>2. Work closely with a range of external agencies to ensure engaging extra-curricular educational experiences are available to all students;</li> <li>3. Ensure that disadvantaged students have the same opportunities as everyone else and that they are encouraged to participate in extra-curricular activities;</li> <li>4. Streamline the tracking system so that participation can be properly measured.</li> </ol>
<p>Ensure all students access a high quality and impartial careers education and guidance.</p>	<ol style="list-style-type: none"> <li>1. Develop and implement a high quality careers programme that ensures pupils get the advice and experiences they are entitled to, including experience of the workplace</li> <li>2. Develop and implement a system that ensures all pupils have received one to one careers advice by the end of Y11 and Y13.</li> <li>3. Develop and implement a robust QA system for careers provision within the curriculum.</li> </ol>

### Public benefit

The Trustees of the academy trust have complied with their duty in that the academy teaches the national curriculum and meets the standards set by Ofsted. The Trustees of the academy trust have complied with their duty to have due regard to the guidance on public benefit published by the charity commission in exercising their powers or duties.

# WHICKHAM SCHOOL AND SPORTS COLLEGE

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### Strategic report

#### Achievements and performance

Leaders at all levels are committed to a shared vision that has resulted in the school making significant improvements over the last four years. Work in improving pupil behaviour and attitudes has underpinned the creation of a learning environment where pupils are now making stronger progress. Our investment in curriculum planning, development of staff and high quality recruitment has accelerated progress and this is now being seen throughout the school. We are on a journey and there are still elements of provision that we will continue to improve. It is clear that pupils, staff, parents and governors are committed to ensuring the school continuously improves. Whilst the GCSE and Sixth Form results are very strong this year, it is felt that there is still a lag in terms of external attainment and progress data when compared to the progress younger children in the school are making. So we are anticipating even greater success in the medium term.

#### Key performance indicators

##### Achievement and performance

In 2022 pupils sat external examinations for the first time since the start of the coronavirus pandemic. The Department for Education has therefore returned to publishing school performance data which is summarised below.

Significant progress was made by the school between 2018/19 and 2021/22 in the outcomes for pupils at the end of Key Stage 4. The overall Progress 8 score of +0.25 demonstrates the significantly better than national average progress pupils made in this school. Performance on all key metrics improved other than employment outcomes which was still significantly above national average.

Similarly pupils leaving at the end of Key Stage 5 left with substantially better outcomes than in previous years.

The overall performance is judged to be very good.

#### Key Stage 4:

Indicator	2021/22	2018/19	2017/18	2021/22 NA
Progress 8	0.25 ▲	-0.04	-0.40	-0.03
Attainment 8	55.2 ▲	52.3	48.9	48.7
English & Maths 5+ (strong pass)	56% ▲	50%	43%	50%
EBACC entry	57% ▲	51%	25%	39%
EBACC achievement (5+)	36% ▲	26%	12%	20%
EBACC Average points score	4.79 ▲	4.53	4.06	4.27
Pupils staying in education or employment*	97% ▼	98%	95%	94%

\*Education & employment data published for 21/22 refers to leavers from 2019/20

#### Key Stage 5:

Indicator*	2021/22	2018/19	2017/18	2019 NA**
A-level Average points score	38.07 ▲	35.09	36.80	34.01
Academic average points score	37.93 ▲	35.61	36.87	34.33
Applied general average points score	41.67 ▲	35.86	31.62	28.91

\*As pupils in Year 13 did not sit examinations in Year 11 it is not possible to publish progress information and therefore it is only possible to provide a judgement on the relative level of attainment of the cohort to previous years.

\*\*2022 National averages for Key Stage 5 were not yet available at the time of publication

# WHICKHAM SCHOOL AND SPORTS COLLEGE

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### Quality of Education

Work in developing our curriculum has been effective in developing an ambitious vision and logical sequencing that is leading to stronger progress and attainment. Staff are increasingly skilled in unpicking learning and CPD and collaborative planning has supported improved teaching and learning. QA and external examination results in 2022 reflect that student progress and attainment continues to get stronger.

The pandemic has impacted upon a number of pupil groups and all staff are focused upon ensuring those disadvantaged (including SEND and PP) are effectively supported.

#### Behaviour & Attitudes

Behaviour and attitudes of pupils are very positive. Expectations of pupils' behaviour, attitude, attendance, uniform and work ethic are high. Restorative approaches pervade the way behaviour is dealt with and pupils are respectful of the fact that they have a voice and can resolve issues in a positive, respectful and mature manner.

Supporting all pupils in developing positive attitudes to learning and ensuring attendance returns to pre-pandemic levels are key areas of focus for leaders.

#### Personal Development

The school is highly effective in promoting the personal development of pupils. The wide range of opportunities on offer has not yet returned to the high levels evident pre-pandemic, but we are working hard to address this. Pupils typically access a wide range of experiences both through the formal curriculum and extra-curricular experiences. There are an extensive range of opportunities that support all pupils in developing unique talents and skills. Historically, take up is high and pupils from all backgrounds access these opportunities. A culture exists where diversity is celebrated and equality is ensured. Pupils develop into well rounded citizens who are well prepared for life and can access a range of appropriate career destinations.

#### Sixth Form

Pupil progress and attainment is strong. This has been the case for a number of years and is the case with current pupils. PSHCE provision is forward thinking and addresses key topics for 16-19 year olds. It goes beyond the DfE guidelines on SRE and supports pupils with developing lifelong skills and qualities. Strong CEIAG provision is in place that supports students in accessing a range of HE/FE and employment opportunities. Progression and Post-18 destinations are strong with many pupils going on to further study on completion of their Post-16 studies.

#### Leadership & Management

Leaders are highly ambitious for the school and have made strong progress towards a shared vision. Work in developing our curriculum and securing strong implementation is reflected in accelerating pupil progress and outcomes. Pupil behaviour and safeguarding is strong and facilitates effective learning. Behaviour for learning is strong as evidenced through pupil engagement in lessons, homework, strong attendance and punctuality. Governors actively support and challenge leaders on all aspects of school performance, including finance. The school has highly effective planning and control mechanisms that ensure financial stability and that best value is achieved in everything it does.

#### Safeguarding

Staff are vigilant and proactive: a safeguarding ethos pervades the work of both teaching and support staff. Concerns are thoroughly investigated and child protection arrangements are thorough. We work proactively with external agencies and have led the way in establishing a new proactive Team Around the School (TAS) process which has reduced the number of higher need referrals. We are outward facing and undertake external benchmarking and access additional external training.

#### 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.

# WHICKHAM SCHOOL AND SPORTS COLLEGE

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### Protecting the success of the academy trust

The trustees are aware of their role to promote the success of the trust, in doing so they must act fairly, having regard to their decisions on the trust's long-term viability. This must include interests of all stakeholders including staff, business relationships with suppliers and customers, and within the wider community. The trustees take all decisions in the best interests of the trust in order to maintain the good standing that we have in the community.

#### **Financial review**

Whickham School will develop an annual budget that can be sustained by enrolment and additional sources of revenue and is in support of pupil academic achievement.

The academy annual budget is sustained by its enrollment and additional sources of revenue. The academy has a well-tested budget process that relies on building a needs-based budget each year. Departmental requests are combined into a consolidated budget by the CFO, CEO and Headteacher who ensure that the budget addresses the academy strategic objectives, and accounts for all reasonably anticipated expenses. The proposed budget is then presented for review to the resources committee. The resources committee has delegated responsibility for the approval process. Once approved the budget plan is then shared with the full governing body.

Financial statements, cashflow, balance sheet and year-to-date budget monitoring reports are produced regularly and are presented to both the Chair of Trustees and the resources committee, where significant variances are explained in writing.

The academy demonstrates a history of positive net assets, adequate cash flow to sustain operations and to support the academic programme and consistently operates within budget.

The academy consistently maintained cash flow necessary to sustain operations and advance the academic programme through the financial year 2021/22.

The closing level of reserves, restricted and unrestricted funds, is considered to be healthy. The academy will aim to build up reserves in order to mitigate risk should there be a delay in grants or unforeseen increase in expenditure.

Other financial key performance indicators which are monitored closely include:

**Inflation:** The impact of general inflation and increased energy costs are closely monitored. A rigorous application of best value will go some way to mitigate this.

**Staff costs:** Where possible the academy will keep staffing costs to 80% or below of total income. The academy is conscious of the impact of pay awards that are not fully funded through government grant. This is constantly monitored and potential actions to bring budgets within expected funding are revised and discussed with trustees throughout the year. Any required action will be taken in good time to address any issues identified.

**Pension liability:** Whickham School will demonstrate its ability to cover the increase in pension liability for non-teaching staff. The governing body recognise the liability existing in the Tyne & Wear Local Government Pension Scheme (LGPS) for staff, and are satisfied that existing cash flows are sufficient to meet any anticipated increase in costs.

The academy made an operating surplus of £392,354 (2021 £612,257) in the year excluding the impact of depreciation, capital transactions and LGPS adjustments, and held fund balances at 31 August 2022 of £16,539,011 (2021: £12,743,897) comprising restricted reserves of £16,281,526 (2021: £12,471,071) and unrestricted reserves of £257,485 (2021 £272,826). Excluding the fixed asset and pension reserves, restricted reserves are £786,832 (2021: £507,327)

Total income in the year was £10,327,162 (2021: £9,613,581), the vast majority of which came from Education and Skills Funding Agency (ESFA) (or equivalent) grants. As the majority of the grant income is pupil number driven it is imperative that recruitment and retention levels are maintained, or increased over time.

# WHICKHAM SCHOOL AND SPORTS COLLEGE

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2022**

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### Reserves policy

The trustees of the academy aim to carry forward a prudent level of reserves which is designed to meet a long-term cyclical need to support capital bid applications and to provide the academy with the security of being able to renew assets and have a contingency for any unforeseen needs.

Given the current financial climate, it would be prudent to review the reserves policy and set specific targets and timeline. The reserves policy target is 8% of expenditure. The academy held total fund balances at 31 August 2022 of £16,539,011 (2021: £12,743,897). Restricted general and unrestricted reserves are £1,044,317 (2021 £780,153). Reserves at the end of the period were close to our target of 8% of revenue. Our aim is to maintain this, although trustees have identified that they may wish to use some reserves to invest in improving the condition of the school estate (Condition Improvement Fund & School Rebuilding Programme bids pending).

### Investment policy

The trustees have approved a treasury policy in relation to investment of surplus funds. The overriding principle in lending is to limit risk rather than maximise return. The following instruments are approved as investments by the academy:

- Fixed term deposits
- Notice term deposits
- Bank or building society deposit accounts
- Money market funds

No investment will be for a duration exceeding 364 days. To reduce our counterparty risk, no more than £1m should be invested with a single approved counterparty. Reports are presented to the board of trustees annually detailing the performance of investments made over that period.



# WHICKHAM SCHOOL AND SPORTS COLLEGE

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### Principal risks and uncertainties

The principal risks and uncertainties facing the academy have been reviewed by the trustees and are set out in the risk register which has been approved by the board of trustees. The risk register of the academy is reviewed regularly.

Key risks identified within the period include:

- Inflationary pressures (including energy costs) - this is being carefully monitored and a range of cost control measures are in place.
- Pay awards that are above increases in formula funding - this is a national issue impacting on all schools and academies. Budget monitoring will guide decisions on staffing requirements for future years.
- Sixth Form recruitment - post pandemic there is an increase in marketing from colleges that may have an impact on recruitment. We are implementing a revised recruitment strategy to mitigate any risks.

Risk management: The management of risks to the academy and the fulfilment of the vision statement is undertaken in accordance with the Funding Agreement and the Academies Trust Handbook.

The trustees are responsible for risk management and for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives, whilst safeguarding public funds and other funds and assets for which it is responsible. The trustees are advised in this role by the resources committee and both are advised and informed by members of the leadership team. A review of the academy's risk management process is undertaken throughout the year and is managed by the relevant committees covering financial stability and employment, premises and health and safety and curriculum and pupil welfare.

The trustees will fulfil this role by establishing the system of internal control:

- Approving and reviewing a series of policies that underpin the internal control process
- Agreeing objectives, plans and resources by means of the budget and the annual School Evaluation Form (SEF) and School Improvement Plan (SIP)
- Approving the policy statement and the risk register and reviewing them carefully each year to identify risks, near misses and opportunities
- Considering carefully the advice from the auditor, internal assurance reports and the audit committee on internal financial controls, together with advice from any external consultants or inspectors

The leadership team fulfils its risk management role by:

- Implementing trustees' policies on risk management and internal control advising the resources committee on the fundamental risks faced by the school and helping evaluate them
- Providing timely and sufficient information to trustees and the resources committee on the status of risks and controls
- Assisting the resources committee to draw up the risk register
- Working to embed risk management and risk-based internal control in all aspects of academy management

#### **Fundraising**

The academy employs a community partnership and funding officer with a discreet brief to secure grant funding and donations to enhance the educational outcomes for the pupils of Whickham School.

The academy continually applies for grant funding for capital funding opportunities, for the replacement and refurbishment of the retained building stock which make up the academy site.

All fundraising undertaken during the year was monitored by the trustees.

# WHICKHAM SCHOOL AND SPORTS COLLEGE

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### **Plans for future periods**

The academy's vision is to be part of a cross-phase multi-academy trust (MAT). This will help strengthen existing relationships through a formal partnership which ensures that the participating schools can share skills, best practice and make optimal use of resources ensuring best value for money for each school.

The academy will continue to focus on its short-term school improvement plan (SIP) to ensure that all strands of leadership and management, quality of education, behaviour and attitudes and personal development are achieved. Leaders are focused on ensuring all pupils, staff, and stakeholders are the very best they can be.

The academy will continue to champion and bid via the Condition Improvement Funding (CIF) programme for all available opportunities to either replace, refurbish or enhance the school estate. The school is awaiting the outcome of a bid to become part of the next round of schools in the government capital programme, School Rebuilding Programme.

**Partnerships with other schools:** The academy has a number of active partnerships with schools and MATs on specific school improvement strands. These are benefiting pupils at Whickham and other local schools and academies. Recent work with other secondary schools has focused upon the sharing of best practice and developing incremental coaching.

**Curriculum:** The leadership team and trustees of the academy continue to review the business and curriculum plans using curriculum-led financial planning to ensure that risks are considered and that we are well prepared and have the flexibility to review and respond to changing needs within the educational landscape.

**Succession Planning:** The academy keeps under regular review its leadership structure. Leaders at all levels are increasingly effective in securing improvements in the quality of provision. As the academy moves from 'good' to 'outstanding' and invests in partnerships with other local schools it is appropriate that the structure and capacity of the leadership structure is reviewed regularly.

**Recruitment to the School Roll:** The academy continues to be popular and based on experience it is expected that we will be oversubscribed at the start of each academic year on our five-year forecast. We will continue to be effective in promoting the academy with all parents, thus ensuring that we maintain our status as an oversubscribed academy.

#### **Funds held as Custodian Trustee on behalf of others**

Whickham School and Sports College do not hold assets or act as custodian trustee.

#### **Auditor**

In so far 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.

A resolution proposing that Azets Audit Services be reappointed as auditor of the charitable company will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 19 December 2022 and signed on its behalf by:



S L Ban  
Chair of the Trustees

# WHICKHAM SCHOOL AND SPORTS COLLEGE

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2022**

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### Scope of responsibility

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

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

The board of trustees has delegated the day-to-day responsibility to the CEO as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Whickham School and Sports College and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 3 times during the year.

Attendance during the year at meetings of the board of trustees were as follows:

Trustees	Meetings attended	Out of possible
S L Ban (Chair)	3	3
S Alexander (Resigned 28 March 2022)	1	1
D B Bradford (Resigned 7 April 2022)	1	2
M A Brain	1	3
A G Hewison	2	3
E Ridley (Resigned 13 August 2022)	1	3
A Wilson	3	3
V McLeod	3	3
A Day (Resigned 31 August 2022)	0	3
C Hewitson	3	3
M Crabtree (Vice Chair)	3	3
M L Pears	2	3
J Yeo (Resigned 31 August 2022)	2	3
K Berry	2	3
F I Turnbull	3	3
Mr A J W Brown (Appointed 14 February 2022)	1	1
S Scott (Appointed 1 September 2022)		
L C Simpson (Appointed 1 September 2022)		
J Smith (Appointed 1 September 2022)		

There have been no key changes in the composition of the board or the coverage of its work. In line with best practice, the academy undertakes an annual review of the effectiveness of the board including governor skills audit (as per NGA guidance). Findings concluded that the Whickham School governing board has the recommended depth and breadth of skills required. If any skills deficits are identified, the appropriate recruitment is undertaken.

The resources committee is a sub-committee of the governing board, its purpose is to assist the decision making of the board, by enabling more detailed consideration to be given to the best means of fulfilling the board's responsibility to ensure sound management of the academy finances, staffing and resources, including premises, health and safety and safeguarding matters, to ensure that proper planning, monitoring and probity are in place. The resources committee has delegated responsibility as an audit committee and reports back to the full governing board on all such matters.

# WHICKHAM SCHOOL AND SPORTS COLLEGE

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2022**

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Attendance during the year of the resources committee meeting was as follows:

Trustees	Meetings Attended	Out of a possible
S L Ban (Chair of Trustees)	4	4
K Berry	4	4
M Brain	2	4
M Crabtree (Chair of Committee)	4	4
A Day	1	4
M Pears	3	4
F Tumbull (Headteacher)	4	4
J Yeo	3	4

### Conflicts of interest

The trust has policies and procedures in place to identify and manage conflicts of interest by clients, companies and individuals associated with the trust. Our code of conduct policy requires all employees and trustees to identify and disclose any personal associations that may give rise to an actual or perceived conflict of interest.

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

As accounting officer, the CEO has responsibility for ensuring 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 academy 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 or by using a framework where appropriate. The accounting officer for the academy trust has delivered improved value for money during the year as follows:

- Ongoing regular review of the curriculum model to ensure that staff and resources are reviewed and aligned within best value principles to support our teaching and learning aims
- Providing the most effective resources to meet educational requirements
- Providing comprehensive budgeting and monitoring with financial reports reviewed by trustees
- Reviewing appropriate benchmarking data in order to compare the schools performance against other schools
- Clearly defined purchasing guidelines detailed in the financial procedures manual are reviewed and updated when necessary

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

The system of internal control is designed to manage risk to a reasonable level rather than 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 Wickham School and Sports College for the period 1st September 2021 to 31st August 2022 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 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. The process is regularly reviewed by the board of trustees

# WHICKHAM SCHOOL AND SPORTS COLLEGE

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### **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 trustees
- Regular reviews by the finance and general purposes committee of reports, which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- Setting targets to measure financial and other performance
- Clearly defined purchasing (asset purchase or capital investment) guidelines
- Identification and management of risks

The board of trustees has decided to buy-in an internal audit service from MHA Tait Walker to perform a cycle of internal assurance checks. From 1st May 2022 MHA Tait Walker joined Azets accountants, therefore to ensure compliance with ESFA rules and to provide full transparency, the trust has undertaken a robust process to appoint a new internal assurance provider for the coming year.

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

- Payroll
- Financial systems and segregation of duties
- Internal controls, financial monitoring and oversight
- Financial oversight
- HR policies and procedures

The internal assurance programme of work was scheduled to be undertaken and reported to trustees on a termly basis, with the auditor reporting to the trustees through the resources committee on the operation of the systems of control and on the discharge of the trustees' financial responsibilities. The full programme of work was completed and the findings shared with trustees.

The Autumn term report made recommendations relating to the timely banking of cash and ensuring the policy for collecting payments from debtors was followed robustly and that old users of the financial systems be removed at the date of leaving.

The Spring term report had no recommendations noted and produced a 'clean' report

The Summer term report made recommendations to reduce the number of trustees that received payments through the trust's payroll. It was noted that those trustees in receipt of payments were staff representatives. It also recommended that teachers' salary statements were issued on an annual basis and that the website be updated in a timely manner to reflect new/resigned trustees.

All recommendations have now been implemented and from the detailed work completed it can be concluded that the academy trust has good controls in place which are generally well designed.

# WHICKHAM SCHOOL AND SPORTS COLLEGE

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2022**

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### **Review of effectiveness**

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

- the work of the internal auditor
- the work of the external auditor
- the financial management and governance self-assessment process
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the resources committee and the governors proactively strive to build on existing good practices to ensure continuous improvements to the accounting system is in place.

Approved by order of the board of trustees on 19 December 2022 and signed on its behalf by:



**S L Ban**  
**Chair of Trustees**



**S Haigh**  
**Accounting Officer**

# **WHICKHAM SCHOOL AND SPORTS COLLEGE**

## **STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE**


***FOR THE YEAR ENDED 31 AUGUST 2022***

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As accounting officer of Whickham School and Sports College, I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

I confirm that I and the academy trust's board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academy Trust Handbook 2021.

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



**S Haigh**  
**Accounting Officer**

19 December 2022

# WHICKHAM SCHOOL AND SPORTS COLLEGE

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

**FOR THE YEAR ENDED 31 AUGUST 2022**

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The trustees (who are also the directors of Whickham School and Sports College for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2021 to 2022 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 accounts for each financial year. Under company law, the trustees must not approve the accounts 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 accounts, the trustees are required to:

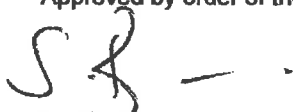
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 accounts 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 that 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the board of trustees on 19 December 2022 and signed on its behalf by:

  
S L Ban  
Chair



# WHICKHAM SCHOOL AND SPORTS COLLEGE

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WHICKHAM SCHOOL AND SPORTS COLLEGE

*FOR THE YEAR ENDED 31 AUGUST 2022*

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### **Opinion**

We have audited the accounts of Whickham School and Sports College for the year ended 31 August 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the accounts, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

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

### **Basis for opinion**

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

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

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

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

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

### **Other information**

The other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the accounts themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# WHICKHAM SCHOOL AND SPORTS COLLEGE

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WHICKHAM SCHOOL AND SPORTS COLLEGE (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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### Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report, including the incorporated strategic report.

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

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

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

### Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error. In preparing the accounts, the trustees are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

# WHICKHAM SCHOOL AND SPORTS COLLEGE

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WHICKHAM SCHOOL AND SPORTS COLLEGE (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of senior leadership, Governors/Trustees and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations including compliance with the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency;
- Performing audit work over the recognition of grant income and the allocation of expenditure to funds;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### Use of our report

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

*Azets Audit Services*

Graham Fitzgerald BA FCA DChA (Senior Statutory Auditor)  
for and on behalf of Azets Audit Services

23/12/2022  
.....

Statutory Auditor

Wynyard Park House  
Wynyard Avenue  
Wynyard  
United Kingdom  
TS22 5TB

# **WHICKHAM SCHOOL AND SPORTS COLLEGE**

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO WHICKHAM SCHOOL AND SPORTS COLLEGE AND THE EDUCATION AND SKILLS FUNDING AGENCY**

***FOR THE YEAR ENDED 31 AUGUST 2022***

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In accordance with the terms of our engagement letter dated 11 July 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Whickham School and Sports College during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Respective responsibilities of Whickham School and Sports College's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Whickham School and Sports College's funding agreement with the Secretary of State for Education dated 4 April 2017 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Approach**

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

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

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

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

# WHICKHAM SCHOOL AND SPORTS COLLEGE

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO WHICKHAM SCHOOL AND SPORTS COLLEGE AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2022**

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The work undertaken to draw to our conclusion includes:

- completion of self assessment questionnaire by Accounting Officer
- discussions with the Accounting Officer and finance team
- review of internal assurance reports
- review of trustee and committee meeting minutes
- review of finance and other relevant policies
- review of purchases, expenses and expense claims on a sample basis including the application of controls and tendering processes where applicable
- review of gifts and hospitality transactions including the application of controls
- review of credit and debit card transactions including the application of controls
- review of payroll transactions on a sample bases including the application of controls
- review of potential special payments to staff
- review of leases and consideration of areas where borrowing may have been incurred
- consideration of transactions with related and connected parties
- review of register of business interests for completeness and compliance with regulations
- enquiries into transactions that may require disclosure under ESFA delegated authority rules
- consideration of value for money and appropriateness of transactions

### 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 period 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*Azets Audit Services*

**Reporting Accountant**  
Azets Audit Services

Dated: .....23/12/2022.....

# WHICKHAM SCHOOL AND SPORTS COLLEGE

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted funds £	Restricted funds: General £	Fixed asset £	Total 2022 £	Total 2021 £
<b>Income and endowments from:</b>						
Donations and capital grants	3	3,367	31,953	34,710	70,030	53,964
Charitable activities:						
- Funding for educational operations	5	-	9,944,971	-	9,944,971	9,465,035
Other trading activities	4	312,161	-	-	312,161	94,514
Investments	6	-	-	-	-	73
<b>Total</b>		<b>315,528</b>	<b>9,976,924</b>	<b>34,710</b>	<b>10,327,162</b>	<b>9,613,586</b>
<b>Expenditure on:</b>						
Raising funds	7	330,869	3,884	-	334,753	64,312
Charitable activities:						
- Educational operations	8	-	10,273,345	1,205,950	11,479,295	10,668,836
<b>Total</b>	<b>7</b>	<b>330,869</b>	<b>10,277,229</b>	<b>1,205,950</b>	<b>11,814,048</b>	<b>10,733,148</b>
<b>Net expenditure</b>		<b>(15,341)</b>	<b>(300,305)</b>	<b>(1,171,240)</b>	<b>(1,486,886)</b>	<b>(1,119,562)</b>
Transfers between funds	16	-	(128,190)	128,190	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial gains on defined benefit pension schemes	18	-	5,447,000	-	5,447,000	339,000
Derecognise pension asset		-	(165,000)	-	(165,000)	-
<b>Net movement in funds</b>		<b>(15,341)</b>	<b>4,853,505</b>	<b>(1,043,050)</b>	<b>3,795,114</b>	<b>(780,562)</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		272,826	(4,066,673)	16,537,744	12,743,897	13,524,459
Total funds carried forward		257,485	786,832	15,494,694	16,539,011	12,743,897

# WHICKHAM SCHOOL AND SPORTS COLLEGE

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

<b>Comparative year information</b>		<b>Unrestricted</b>	<b>Restricted funds:</b>		<b>Total</b>
<b>Year ended 31 August 2021</b>		<b>funds</b>	<b>General</b>	<b>Fixed asset</b>	<b>2021</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Income and endowments from:</b>					
Donations and capital grants	3	839	20,637	32,488	53,964
Charitable activities:					
- Funding for educational operations	5	-	9,465,035	-	9,465,035
Other trading activities	4	94,514	-	-	94,514
Investments	6	73	-	-	73
<b>Total</b>		<b>95,426</b>	<b>9,485,672</b>	<b>32,488</b>	<b>9,613,586</b>
<b>Expenditure on:</b>					
Raising funds	7	64,312	-	-	64,312
Charitable activities:					
- Educational operations	8	13,054	9,472,475	1,183,307	10,668,836
<b>Total</b>	<b>7</b>	<b>77,366</b>	<b>9,472,475</b>	<b>1,183,307</b>	<b>10,733,148</b>
<b>Net income/(expenditure)</b>		<b>18,060</b>	<b>13,197</b>	<b>(1,150,819)</b>	<b>(1,119,562)</b>
Transfers between funds	16	-	(106,941)	106,941	-
<b>Other recognised gains/(losses)</b>					
Actuarial gains on defined benefit pension schemes	18	-	339,000	-	339,000
<b>Net movement in funds</b>		<b>18,060</b>	<b>245,256</b>	<b>(1,043,878)</b>	<b>(780,562)</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		254,766	(4,311,929)	17,581,622	13,524,459
Total funds carried forward		272,826	(4,066,673)	16,537,744	12,743,897

# WHICKHAM SCHOOL AND SPORTS COLLEGE

## BALANCE SHEET

AS AT 31 AUGUST 2022

	Notes	2022		2021	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	12		15,494,694		16,537,744
<b>Current assets</b>					
Debtors	13	134,322		394,953	
Cash at bank and in hand		1,571,166		1,125,221	
		1,705,488		1,520,174	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	14	(661,171)		(740,021)	
<b>Net current assets</b>			1,044,317		780,153
<b>Net assets excluding pension liability</b>			16,539,011		17,317,897
Defined benefit pension scheme liability	18		-		(4,574,000)
<b>Total net assets</b>			16,539,011		12,743,897
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>	16				
- Fixed asset funds			15,494,694		16,537,744
- Restricted income funds			786,832		507,327
- Pension reserve			-		(4,574,000)
<b>Total restricted funds</b>			16,281,526		12,471,071
<b>Unrestricted income funds</b>	16		257,485		272,826
<b>Total funds</b>			16,539,011		12,743,897

The accounts on pages 28 to 51 were approved by the trustees and authorised for issue on 19 December 2022 and are signed on their behalf by:



S L Ban  
Chair

Company registration number 07729766



# WHICKHAM SCHOOL AND SPORTS COLLEGE

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Net cash provided by operating activities	19		574,135		562,046
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		-		73	
Capital grants from DfE Group		34,710		32,488	
Purchase of tangible fixed assets		(162,900)		(139,429)	
<b>Net cash used in investing activities</b>			(128,190)		(106,868)
<b>Net increase in cash and cash equivalents in the reporting period</b>			445,945		455,178
Cash and cash equivalents at beginning of the year			1,125,221		670,043
<b>Cash and cash equivalents at end of the year</b>			1,571,166		1,125,221

# WHICKHAM SCHOOL AND SPORTS COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

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### 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.

#### 1.1 Basis of preparation

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

#### 1.2 Going concern

The trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable 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 accounts 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 accounts.

#### 1.3 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 period 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 recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

##### 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.

# WHICKHAM SCHOOL AND SPORTS COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 1 Accounting policies

(Continued)

#### 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 accounts until they are sold. This income is recognised within 'Income from other trading activities'.

#### Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is 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.

### 1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are 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.

### 1.5 Tangible fixed assets and depreciation

Assets costing £2,500 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 that require the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

# WHICKHAM SCHOOL AND SPORTS COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### 1 Accounting policies

(Continued)

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Leasehold land	125 years
Buildings	25 years
Computer equipment	5 years
Fixtures, fittings & equipment	5 years
Motor vehicles	5 years

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

In the prior year, new building and associated assets were capitalised based on information provided by the ESFA. The disposal was estimated based on the proportion of the old building demolished after the move to the new building.

#### 1.6 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.

#### 1.7 Leased assets

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

#### 1.8 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. Prepayments are not financial instruments.

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

##### Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

#### 1.9 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 chapter 3 part 11 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.

# WHICKHAM SCHOOL AND SPORTS COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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### 1 Accounting policies

(Continued)

#### 1.10 Pensions 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 and the assets are held separately from those of the academy trust.

The TPS is an unfunded scheme and contributions are calculated 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 based on quadrennial valuations using a prospective unit credit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions are 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 net income or expenditure are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

#### 1.11 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 the Department for Education Group.

### 2 Critical accounting estimates and areas of judgement

Accounting 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.

# WHICKHAM SCHOOL AND SPORTS COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### 2 Critical accounting estimates and areas of judgement

(Continued)

##### 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 18, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

##### Land and buildings

The trust's land and buildings are occupied on a 125 year lease from the local authority. In the view of the trustees, the risks and rewards of occupying the site have been substantially transferred to the trust and therefore the land and buildings have been recognised as a donation on conversion and capitalised within the restricted fixed assets fund. The land and buildings are valued on the basis of valuations provided by the ESFA/local authority, and cost information provided in respect of new buildings.

##### Depreciation

Depreciation is calculated as to write off the cost of an asset off over its useful economic life. The accounting policies are disclosed in the accounting policy above.

#### 3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Capital grants	-	34,710	34,710	32,488
Other donations	3,367	31,953	35,320	21,476
	<u>3,367</u>	<u>66,663</u>	<u>70,030</u>	<u>53,964</u>

#### 4 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Hire of facilities	78,991	-	78,991	14,264
Shop and commission income	30,529	-	30,529	11,886
Trip income	104,523	-	104,523	150
Other income	98,118	-	98,118	68,214
	<u>312,161</u>	<u>-</u>	<u>312,161</u>	<u>94,514</u>

# WHICKHAM SCHOOL AND SPORTS COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 5 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
<b>DfE/ESFA grants</b>				
General annual grant (GAG)	-	9,078,783	9,078,783	8,336,199
Other DfE/ESFA grants:				
Pupil premium	-	320,937	320,937	315,755
Rates	-	59,949	59,949	32,256
Teachers pension	-	75,637	75,637	315,061
Teachers pay	-	26,768	26,768	111,496
Others	-	25,218	25,218	59,876
National tutoring	-	50,063	50,063	-
Supplementary grants	-	104,758	104,758	-
	-	9,742,113	9,742,113	9,170,643
<b>Other government grants</b>				
Local authority grants	-	125,722	125,722	84,699
<b>COVID-19 additional funding</b>				
<b>DfE/ESFA</b>				
Other DfE/ESFA COVID-19 funding	-	76,266	76,266	91,243
<b>Non-DfE/ESFA</b>				
Other COVID-19 funding	-	870	870	118,450
	-	77,136	77,136	209,693
<b>Total funding</b>	-	9,944,971	9,944,971	9,465,035

### 6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Short term deposits	-	-	-	73

# WHICKHAM SCHOOL AND SPORTS COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 7 Expenditure

	Staff costs £	Non-pay expenditure		Total 2022 £	Total 2021 £
		Premises £	Other £		
Expenditure on raising funds					
- Direct costs	82,542	-	252,211	334,753	64,312
Academy's educational operations					
- Direct costs	5,999,928	-	408,906	6,408,834	6,148,745
- Allocated support costs	2,488,418	2,009,694	572,349	5,070,461	4,520,091
	<u>8,570,888</u>	<u>2,009,694</u>	<u>1,233,466</u>	<u>11,814,048</u>	<u>10,733,148</u>

#### Net income/(expenditure) for the year includes:

	2022 £	2021 £
Fees payable to auditor for:		
- Audit	10,100	9,150
- Other services	3,650	2,800
Operating lease rentals	18,093	24,542
Depreciation of tangible fixed assets	1,205,950	1,183,307
Net interest on defined benefit pension liability	76,000	72,000
	<u>11,479,295</u>	<u>10,668,836</u>

### 8 Charitable activities

	2022 £	2021 £
All from restricted funds:		
<b>Direct costs</b>		
Educational operations	6,408,834	6,148,745
<b>Support costs</b>		
Educational operations	5,070,461	4,520,091
	<u>11,479,295</u>	<u>10,668,836</u>



# WHICKHAM SCHOOL AND SPORTS COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 8 Charitable activities

(Continued)

	2022	2021
	£	£
<b>Analysis of support costs</b>		
Support staff costs	2,492,726	2,246,248
Depreciation	1,205,950	1,183,307
Technology costs	222,737	176,648
Premises costs	803,744	621,227
Legal costs	905	2,848
Other support costs	250,461	182,829
Governance costs	93,938	106,984
	<u>5,070,461</u>	<u>4,520,091</u>

### 9 Trustees' remuneration and expenses

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

The value of trustees' remuneration and other benefits was as follows:

<b>F Turnbull (Head Teacher)</b>	
Remuneration	£100,001 - £105,000 (2021: £100,001 - £105,000)
Employer's Pension Contributions	£20,001 - £25,000 (2021: £20,001 - £25,000)
<b>A Day (Trustee)</b>	
Remuneration	£30,001 - £35,000 (2021: £30,001 - £35,000)
Employer's Pension Contributions	£5,001 - £10,000 (2021: £5,001 - £10,000)
<b>A Hewison (Trustee)</b>	
Remuneration	£nil (2021: £1 - £5,000)
Employer's Pension Contributions	£nil (2021: £nil)
<b>S Alexander (Trustee)</b>	
Remuneration	£55,001 - £60,000 (2021: £50,001 - £55,000)
Employer's Pension Contributions	£10,001 - £15,000 (2021: £10,001 - £15,000)

Other related party transactions involving the trustees are set out in note 24.

# WHICKHAM SCHOOL AND SPORTS COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 10 Staff

#### Staff costs

Staff costs during the year were:

	2022	2021
	£	£
Wages and salaries	5,931,988	5,661,913
Social security costs	611,179	574,242
Pension costs	1,919,882	1,744,993
Staff costs - employees	8,463,049	7,981,148
Agency staff costs	107,839	71,233
Staff development and other staff costs	8,570,888	8,052,381
	32,994	32,843
Total staff expenditure	8,603,882	8,085,224

#### Staff numbers

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

	2022	2021
	Number	Number
Teachers	99	97
Administration and support	82	88
Management	10	12
	191	197

Average headcount is lower than last year due to the cancellation of mock and terminal examinations with the resulting impact on exam invigilation requirements.

#### Higher paid staff

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

	2022	2021
	Number	Number
£60,001 - £70,000	1	2
£70,001 - £80,000	2	2
£80,001 - £90,000	-	1
£100,001 - £110,000	2	1

#### 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 key management personnel employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £1,068,995 (2021: £1,087,795).

# WHICKHAM SCHOOL AND SPORTS COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### 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 trust business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

#### 12 Tangible fixed assets

	Land & buildings	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 September 2021	19,587,080	534,688	978,543	91,193	21,191,504
Additions	-	75,869	87,031	-	162,900
At 31 August 2022	19,587,080	610,557	1,065,574	91,193	21,354,404
<b>Depreciation</b>					
At 1 September 2021	4,016,963	195,776	354,788	86,233	4,653,760
Charge for the year	893,854	111,283	195,853	4,960	1,205,950
At 31 August 2022	4,910,817	307,059	550,641	91,193	5,859,710
<b>Net book value</b>					
At 31 August 2022	14,676,263	303,498	514,933	-	15,494,694
At 31 August 2021	15,570,117	338,912	623,755	4,960	16,537,744

#### 13 Debtors

	2022	2021
	£	£
Trade debtors	2,231	13,228
VAT recoverable	17,493	71,685
Other debtors	-	30,690
Prepayments and accrued income	114,598	279,350
	134,322	394,953

# WHICKHAM SCHOOL AND SPORTS COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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

	2022	2021
	£	£
Trade creditors	51,334	247,280
Other taxation and social security	165,019	154,051
Other creditors	274,407	184,743
Accruals and deferred income	170,411	153,947
	<u>661,171</u>	<u>740,021</u>

#### 15 Deferred income

	2022	2021
	£	£
Deferred income is included within:		
Creditors due within one year	26,731	18,816
	<u>26,731</u>	<u>18,816</u>
Deferred income at 1 September 2021	18,816	34,338
Released from previous years	(18,816)	(34,338)
Resources deferred in the year	26,731	18,816
	<u>26,731</u>	<u>18,816</u>
<b>Deferred income at 31 August 2022</b>	<u>26,731</u>	<u>18,816</u>

At 31 August 2022, the Academy was holding rates grant income for the 2022/23 academic year.

# WHICKHAM SCHOOL AND SPORTS COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 16 Funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	450,327	9,078,783	(8,614,088)	(128,190)	786,832
Pupil premium	-	320,937	(320,937)	-	-
Other DfE/ESFA COVID-19 funding	50,000	76,266	(126,266)	-	-
Other Coronavirus funding	-	870	(870)	-	-
Other DfE/ESFA grants	-	25,218	(25,218)	-	-
Other government grants	-	125,722	(125,722)	-	-
Teachers pension	-	75,637	(75,637)	-	-
Teachers pay grant	-	26,768	(26,768)	-	-
Rates	-	59,949	(59,949)	-	-
National tutoring	-	50,063	(50,063)	-	-
Supplementary grant	-	104,758	(104,758)	-	-
Other restricted funds	7,000	31,953	(38,953)	-	-
Pension reserve	(4,574,000)	-	(708,000)	5,282,000	-
	<u>(4,066,673)</u>	<u>9,976,924</u>	<u>(10,277,229)</u>	<u>5,153,810</u>	<u>786,832</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	480,473	-	(309,779)	-	170,694
DfE group capital grants	313,351	34,710	(235,778)	-	112,283
Capital expenditure from GAG	253,797	-	(53,593)	128,190	328,394
LEA and other grants	15,490,123	-	(606,800)	-	14,883,323
	<u>16,537,744</u>	<u>34,710</u>	<u>(1,205,950)</u>	<u>128,190</u>	<u>15,494,694</u>
<b>Total restricted funds</b>	<u>12,471,071</u>	<u>10,011,634</u>	<u>(11,483,179)</u>	<u>5,282,000</u>	<u>16,281,526</u>
<b>Unrestricted funds</b>					
General funds	272,826	315,528	(330,869)	-	257,485
<b>Total funds</b>	<u>12,743,897</u>	<u>10,327,162</u>	<u>(11,814,048)</u>	<u>5,282,000</u>	<u>16,539,011</u>

# WHICKHAM SCHOOL AND SPORTS COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### 16 Funds

(Continued)

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

General Annual Grant must be used for the normal running costs of the academy. 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 2022.

Other DfE/ESFA grants year 7 catch up grant and other grants received from DfE/ESFA that are not included in the detailed analysis.

Other government grants include pupil premium and other grants received from the local authority.

The pension reserve reflects the LGPS transactions. 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 the LGPS, and the pension liability has therefore been aligned with these funds.

DfE/ESFA capital grants includes a devolved capital grant of £34,710.

The inherited fixed asset fund reflects the fixed assets acquired on conversion. Depreciation on these assets is charged against this fund.

Some capital expenditure has been funded by GAG or other funds. Transfers between these funds are reflected in the gains, losses and transfers column.

The trust has reviewed the analysis of funds to be carried forward as at 31 August 2022, and transfers here have been made to ensure that all funds are correct as at the year end.

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

The academy's restricted general and unrestricted funds were £1,044,317 at 31 August 2022.

# WHICKHAM SCHOOL AND SPORTS COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 16 Funds

(Continued)

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	8,336,199	(7,788,871)	(97,001)	450,327
Pupil premium	-	315,755	(315,755)	-	-
Other DfE/ESFA grants	-	59,876	(59,876)	-	-
Other government grants	-	175,942	(175,942)	-	-
Teachers pension	-	315,061	(315,061)	-	-
Teachers pay grant	-	111,496	(111,496)	-	-
Rates	-	32,256	(32,256)	-	-
Covid-19 catch-up premium	-	118,450	(68,450)	-	50,000
Other restricted funds	20,071	20,637	(23,768)	(9,940)	7,000
Pension reserve	(4,332,000)	-	(581,000)	339,000	(4,574,000)
	(4,311,929)	9,485,672	(9,472,475)	232,059	(4,066,673)
<b>Restricted fixed asset funds</b>					
Transfer on conversion	1,369,392	-	(888,919)	-	480,473
DfE group capital grants	491,382	32,488	(210,519)	-	313,351
Capital expenditure from GAG	214,834	-	(58,038)	97,001	253,797
LEA and other grants	15,506,014	-	(25,831)	9,940	15,490,123
	17,581,622	32,488	(1,183,307)	106,941	16,537,744
<b>Total restricted funds</b>	<b>13,269,693</b>	<b>9,518,160</b>	<b>(10,655,782)</b>	<b>339,000</b>	<b>12,471,071</b>
<b>Unrestricted funds</b>					
General funds	254,766	95,426	(77,366)	-	272,826
<b>Total funds</b>	<b>13,524,459</b>	<b>9,613,586</b>	<b>(10,733,148)</b>	<b>339,000</b>	<b>12,743,897</b>

### 17 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
<b>Fund balances at 31 August 2022 are represented by:</b>				
Tangible fixed assets	-	-	15,494,694	15,494,694
Current assets	257,485	1,448,003	-	1,705,488
Current liabilities	-	(661,171)	-	(661,171)
<b>Total net assets</b>	<b>257,485</b>	<b>786,832</b>	<b>15,494,694</b>	<b>16,539,011</b>

# WHICKHAM SCHOOL AND SPORTS COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 17 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
<b>Fund balances at 31 August 2021 are represented by:</b>				
Tangible fixed assets	-	-	16,537,744	16,537,744
Current assets	272,826	1,247,348	-	1,520,174
Current liabilities	-	(740,021)	-	(740,021)
Pension scheme liability	-	(4,574,000)	-	(4,574,000)
<b>Total net assets</b>	<b>272,826</b>	<b>(4,066,673)</b>	<b>16,537,744</b>	<b>12,743,897</b>

### 18 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 Tyne and Wear Pension Fund. Both are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 31 March 2019.

Contributions amounting to £132,581 (2021: £108,037) were payable to the schemes at 31 August 2022 and are included within creditors.

#### Teachers' Pension Scheme

##### Introduction

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 academy trusts. All teachers have the option to opt out of the TPS following enrolment.

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

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

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to 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.



# WHICKHAM SCHOOL AND SPORTS COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### 18 Pension and similar obligations

(Continued)

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge)
- 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. The 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 2024.

The employer's pension costs paid to the TPS in the period amounted to £1,000,295 (2021: £958,917).

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

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

#### Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 17.7% for employers and 5.5 to 12.5% 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.

<b>Total contributions made</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Employer's contributions	298,000	279,000
Employees' contributions	108,000	105,000
<b>Total contributions</b>	<b>406,000</b>	<b>384,000</b>

<b>Principal actuarial assumptions</b>	<b>2022</b>	<b>2021</b>
	<b>%</b>	<b>%</b>
Rate of increase in salaries	4.2	4.1
Rate of increase for pensions in payment/inflation	2.7	2.6
Discount rate for scheme liabilities	4.1	1.7
Inflation assumption (CPI)	2.7	2.6

# WHICKHAM SCHOOL AND SPORTS COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

### 18 Pension and similar obligations

(Continued)

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

	2022 Years	2021 Years
Retiring today		
- Males	21.8	21.9
- Females	25.0	25.1
Retiring in 20 years		
- Males	23.5	23.6
- Females	26.7	26.9

Scheme liabilities would have been affected by changes in assumptions as follows:

	2022 £	2021 £
Discount rate + 0.1%	7,841,000	12,236,000
Discount rate - 0.1%	8,251,000	12,971,000
Mortality assumption + 1 year	7,817,000	12,174,000
Mortality assumption - 1 year	8,267,000	13,122,000
CPI rate + 0.1%	8,211,000	12,693,000
CPI rate - 0.1%	7,873,000	12,591,000

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

	2022 Fair value £	2021 Fair value £
Equities	4,416,000	4,486,000
Government bonds	131,000	169,000
Corporate bonds	1,526,000	1,622,000
Cash	148,000	323,000
Property	911,000	645,000
Other assets	1,075,000	823,000
Derecognise pension asset	(165,000)	-
<b>Total market value of assets</b>	<b>8,042,000</b>	<b>8,068,000</b>

The actual return on scheme assets was £(126,000) (2021: £1,252,000).

Amount recognised in the statement of financial activities

	2022 £	2021 £
Current service cost	930,000	788,000
Interest income	(139,000)	(113,000)
Interest cost	215,000	185,000
<b>Total operating charge</b>	<b>1,006,000</b>	<b>860,000</b>

# WHICKHAM SCHOOL AND SPORTS COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

<b>18 Pension and similar obligations</b>	<b>(Continued)</b>	
<b>Changes in the present value of defined benefit obligations</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
At 1 September 2021	12,642,000	10,859,000
Current service cost	930,000	788,000
Interest cost	215,000	185,000
Employee contributions	108,000	105,000
Actuarial (gain)/loss	(5,712,000)	800,000
Benefits paid	(141,000)	(95,000)
At 31 August 2022	<u>8,042,000</u>	<u>12,642,000</u>
<b>Changes in the fair value of the academy trust's share of scheme assets</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
At 1 September 2021	8,068,000	6,527,000
Interest income	139,000	113,000
Actuarial loss/(gain)	(265,000)	1,139,000
Employer contributions	298,000	279,000
Employee contributions	108,000	105,000
Benefits paid	(141,000)	(95,000)
Derecognise pension asset	(165,000)	-
At 31 August 2022	<u>8,042,000</u>	<u>8,068,000</u>

The actuarial valuation report as at 31 August 2022 produced an estimated asset as a result of changes in discount rates used in the valuation. As the asset is unlikely to be realised we have not recognised it in the financial statements, we have reduced the value of scheme assets and included an adjustment in the SOFA to reflect the adjustment.

# WHICKHAM SCHOOL AND SPORTS COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### 19 Reconciliation of net expenditure to net cash flow from operating activities

	Notes	2022 £	2021 £
Net expenditure for the reporting period (as per the statement of financial activities)		(1,486,886)	(1,119,562)
Adjusted for:			
Capital grants from DfE and other capital income		(34,710)	(32,488)
Investment income receivable	6	-	(73)
Defined benefit pension costs less contributions payable	18	632,000	509,000
Defined benefit pension scheme finance cost	18	76,000	72,000
Depreciation of tangible fixed assets		1,205,950	1,183,307
Decrease/(increase) in debtors		260,631	(154,835)
(Decrease)/increase in creditors		(78,850)	104,697
<b>Net cash provided by operating activities</b>		<b>574,135</b>	<b>562,046</b>

#### 20 Analysis of changes in net funds

	1 September 2021 £	Cash flows £	31 August 2022 £
Cash	1,125,221	445,945	1,571,166

#### 21 Contingent liabilities

During the period of the funding agreement, in the event of the sale or disposal by other means of any asset for which a government capital grant was received, the Academy is required either to reinvest the proceeds or to repay to the relevant Secretary of State the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the funding agreement, whether as a result of the Secretary of State or the Academy serving notice, the Academy shall repay to the Secretary of State sums determined by reference to:

- a) the value at the time of the Academy's site and premises and other assets held for the purpose of the Academy; and
- b) the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the funding agreement.

#### 22 Long-term commitments

##### Operating leases

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

	2022 £	2021 £
Amounts due within one year	4,743	2,681

# WHICKHAM SCHOOL AND SPORTS COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### 23 Capital commitments

	2022	2021
	£	£
Expenditure contracted for but not provided in the accounts	23,250	-

#### 24 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. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook and in accordance with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

J Hewison (wife of Trustee, A Hewison) and C Crabtree (wife of Trustee, M Crabtree) have been employed by the academy trust as an invigilator and exams officer respectively. Their appointments were made in open competition and A Hewison and M Crabtree were not involved in the decision-making process regarding their appointments. J Hewison and C Crabtree are paid within the normal pay scales for their roles and they receive no special treatment as a result of their relationships with trustees.

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

#### 26 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2022 the trust brought forward £19,220 (2021: £15,437) from previous years, received £30,890 (2021: £24,832) and disbursed £29,264 (2021: £26,421) from the fund. An amount of £20,846 (2021 £19,220) is included in other creditors relating to undistributed funds that is repayable to ESFA.