

Teesside High School Limited
(A Company Limited by Guarantee)

Report of the Governors
and Financial Statements
for the Year Ended 31 July 2019

"Registrar of Companies Copy"
Registered Number: 00572205



ANDERSON BARROWCLIFF LLP
Chartered Accountants

Teesside High School Limited
(A Company Limited by Guarantee)

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for the Year Ended 31 July 2019

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Teesside High School Limited
(A Company Limited by Guarantee)

Legal and Administrative Details
for the Year Ended 31 July 2019

COMPANY REGISTRATION NUMBER: 00572205

CHARITY REGISTRATION NUMBER: 527386

REGISTERED OFFICE: The Avenue
Eaglescliffe
Stockton on Tees
TS16 9AT

**GOVERNORS AND DIRECTORS
(REFERRED TO AS GOVERNORS):** Mr R R Tindle - Chair
Mrs A Greenwood - Vice Chair
Mr C A S Atha
Mr D H Lister
Mr C G Watson
Mr R J Stone
Mr T G Watson
Mr T Cook
Mr A Warrior
Mrs A Guest
Dr A Steele

THE HEADTEACHER: Mrs K Mackenzie

SENIOR LEADERSHIP TEAM: Mrs K Mackenzie (Head Teacher)
Mrs J Pumphrey (Finance Manager to December 2018)
Mrs S Langstaff (Finance Manager from May 2019)
Miss N Stephens (Deputy Head, Pastoral)
Mrs C Williams (Director of Prep School)

BANKERS: Barclays Bank plc
Barclays House
5 St Ann's Street
Quayside
Newcastle
NE1 3DX

SOLICITORS: Endeavour Partnership LLP
Tobias House
St Mark's Court
Teesdale Business Park
Teesside
TS17 6QW

AUDITORS: Anderson Barrowcliff LLP
3 Kingfisher Court
Bowesfield Park
Stockton on Tees
TS18 3EX

Teesside High School Limited
(A Company Limited by Guarantee)

Report of the Governors for the Year Ended 31 July 2019

The Governors of Teesside High School are pleased to present their annual report together with the consolidated financial statements of the charity and its subsidiary for the year ending 31 July 2019 which are also prepared to meet the requirements for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum & Articles of Association, and 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) (effective 1 January 2015).

REFERENCE AND ADMINISTRATIVE INFORMATION

Teesside High School Limited was founded in 1970, as a result of the amalgamation of Queen Victoria High School (founded 1883) and Cleveland School (founded 1939). The School is a registered charity, number 527386, and is also a company limited by guarantee, registered company number 572205.

Directors

The Agnes Spencer Charitable Trust is entitled to appoint a Governor of the School. The Trust has resolved that, for the present time, the right to appoint a Governor would not be exercised.

Governors are appointed for the term of three years. They can be re-elected.

Details of Governors, senior leadership team and professional advisors can be found on page 1.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Company is governed by its Memorandum and Articles of Association, last amended on 6 December 2004.

Governing Body

Regular reviews of the current Board of Governors are used to assess areas where there may be skills shortages, and new Governors should be recruited. Potential Governors complete an application form, meet with the Chair of Governors and must also receive clearance from the Disclosure and Barring Service (DBS). Governors, who are also required under the Articles to serve as members of the Company, are elected at a full Governors meeting and required to meet the Board's specifications concerning eligibility, personal competence, specialist skills and local availability. Any Governors appointed at a Governors meeting are required to offer themselves for re-election at the first annual general meeting following their appointment.

Governor Training

New Governors are inducted into the workings of the school, and also of the Company as a registered charity, including board policy and procedures. Child protection training is made available annually to all Board members and is undertaken at least triennially by the Governor designated as the Child Protection Governor. Members avail themselves of training and induction courses offered by AGBIS (the Association of Governing Bodies of Independent Schools) and the Chairman of Governors is eligible for joint training with the Head through The Society of Heads.

Organisational Management

The Governors meet as a board at least six times a year to determine the general policy of the company and review its overall management and control for which they are legally responsible. The Finance and General Purposes Committee meet at least six times a year to implement the requirements of the Board's policy. Other Committees including Marketing, Education and Curriculum, Facilities, Human Resources and Staffing meet periodically and report to the full Board.

Risk Management

The Board of Governors regularly assess risks and uncertainties which face the School. The main risks are considered to be the general economic environment and the recruitment and retention of pupils and key members of staff. The Board believes that this regular assessment of risks is adequate to mitigate those risks.

Teesside High School Limited
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Report of the Governors for the Year Ended 31 July 2019

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Arrangements for setting remuneration of key management personnel

The Board of Governors, and specifically the Staffing Committee, is responsible for setting the remuneration of key management personnel. They take into account the results of the School's annual performance management process as well as knowledge of the local market and comparison to other relevant bench-marking processes.

Related Parties

The Charity has a wholly owned non-charitable subsidiary, Teesside High School Enterprises Limited. The purpose of the Company is to raise revenue generally from non-school fee income. The company has not traded in the year.

Statement of Governors' Responsibilities

The Governors (who are also directors of Teesside High School Limited for the purposes of company law) are responsible for preparing the Report of the Governors and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the Governors are required to:-

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure of information to auditors

We, the Governors who held office at the date of approval of these Financial Statements, as set out above, each confirm so far as we are aware, that:

- there is no relevant audit information of which the Company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as Governors in order to make ourselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Teesside High School Limited
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Report of the Governors for the Year Ended 31 July 2019

OBJECTIVES AND ACTIVITIES

Strategic Aim

Teesside High School is a small community with traditional values.

Alongside our excellent reputation and record of high achievement, we find that parents value most our inclusive, warm and welcoming environment, and our ethos and belief that every child matters. We provide a caring, friendly and dynamic environment in which each individual is nurtured, challenged and supported.

Whilst the School has a Christian ethos, our community contains pupils from a range of religious and non-religious backgrounds. Our whole-School assemblies reflect on moral and spiritual issues relevant to all young people as we seek to share values of tolerance and understanding the world around us. The culture of the School reflects these differences, whilst celebrating our similarities.

Everything we do is shaped by our aims:

- To provide an environment in which students achieve their full academic and personal potential in all areas of development, and become a caring, confident, self-disciplined and well-balanced adult.
- To nurture a sense of intellectual curiosity and to value creativity in all aspects of school life.
- To help each individual to develop a firmly rooted sense of justice and morality.
- To encourage each individual to develop self esteem and to respect the rights, opinions and property of others irrespective of age, sex or religion.

Objectives for the Year

Teesside High School strives to be the independent school of choice for parents in the Tees Valley. Our principal objective is to continue to develop the School's delivery of first class teaching and learning, with the aim of securing outstanding performance in public examinations. Other objectives include continuing our superb record of success in the sporting and cultural fields, maintaining an unrivalled co-curricular offer outside of the classroom, delivering unrivalled pastoral care and focusing our efforts on recruitment of new pupils and retention of our existing students, with the objective that as many as possible continue their education at Teesside High School, from Nursery through to Sixth Form.

Developing the infrastructure remains a key priority for the Governors, who endeavour to invest in the School's facilities where possible within the constraints of the funds available.

Principal Activity

The School's principal activity continues to be the provision of a Day School for 3-18 year olds.

Grant making

In the year ended 31 July 2019, we supported 45 children through our grant-making activities. Bursary support is available subject to a financial means test and total grants awarded were £253,191 (2018: £300,450).

Teesside High School Limited
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Report of the Governors for the Year Ended 31 July 2019

OBJECTIVES AND ACTIVITIES (continued)

Public Benefit

The School has sought to widen access in the spirit of the Charities Act by continuing to award means-tested support as detailed in the grant-making section above. The policy of allocating grants according to financial means has been rigorously applied.

The School has made considerable progress in its work with the local community, through a number of initiatives. We continue to provide outstanding opportunities to broaden the horizons of young people in our local community, many of whom are from disadvantaged backgrounds, through an extensive primary liaison programme. A successful partnership with a local independent bookshop has enabled over 2000 children to visit the School to hear from a range of national children's authors, for example.

Masterclasses continue to run in areas such as Classics, Languages and Food Technology, providing local primary schools with the external expertise needed to give local children the opportunity to engage in lessons not usually covered within the national curriculum. Gifted and Talented workshops in Science and PE, for example, stretch and challenge the most able in the community. Community outreach within the Music Department has seen a positive link built with the pupils at Junction Farm Primary School, who performed to parents and members of the local community at two formal concerts at Teesside High School this year.

Forest School classes are offered to local primary schools and the School's Holiday Camps, Big Adventures and Mountain Activity, continue to prove extremely popular with families in the local community. We have recently seen our best ever external take-up of Holiday Camp places and we are committed to exploring how its provision can improve to meet the needs of working parents locally.

The School's co-curricular offer provides yet another strand of community partnership. Students are engaged in projects regarding fundraising for a local church, sharing outdoor education adventures with elderly residents at a local care home and choir singing in the community.

Charitable spirit is at the heart of the School community and we continue to support a wide range of local and national charities such as Children in Need, Macmillan Cancer Support, Comic Relief, Save the Children and the Butterwick Hospice. The latter partnership enabled the School to donate its Christmas trees at the end of term to a local children's ward.

The School hires out its facilities to external organisations at subsidised rates during evenings, weekends and school holidays to benefit the community. Current lettings include theatre groups and various sports and music groups. We continue to provide our facilities to local schools and have hosted the School cluster cross country and rounders tournaments as well as the district indoor hockey tournament for Years 7, 8 and 9. With the disbandment of the Stockton Music Festival we have managed to retain our strong musical links, hosting the Tees Valley Youth Orchestra regular practices and concerts. We also hosted the Cleveland Philharmonic Concert, which was a resounding success and brought national acclaim to the community.

The School continues to support the professional development of teachers, both through CPD training and through the training and employment of Newly Qualified Teachers (NQTs).

A full log of all events and grants made is updated and discussed by the Board of Governors regularly. In addition to the contribution made to the Local Authorities by way of indirect benefit, and to the Exchequer in the form of irrecoverable VAT, the School has provided training and resources which have directly benefited over 500 young people and adults.

We are committed to exploring imaginatively every avenue to widen access and demonstrate a commitment to local public benefit.

The Governors confirm that they have complied with the duty in section 4 of Charities Act 2006 to have due regard to guidance published by the commission regarding public benefit.

Report of the Governors for the Year Ended 31 July 2019

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

Operational Performance of the School

Academic

We were once again thrilled to secure an outstanding set of A-level results, with students securing an impressive 100% pass rate. Almost four out of five examination entries were awarded top A*-C grades and 94% of students secured places at their first-choice universities, including Oxbridge and Russell Group institutions.

Once again value-added scores at A-level remain excellent; 2019's examination results showed that Teesside High School students perform above and beyond their target grades.

At GCSE, over a third of entries at Teesside High School were awarded prestigious 7-9 grades and 64% of all entries were awarded a high grade, equivalent to A*-B. Almost a fifth of all students secured the impressive achievement of 8 or more A*-A equivalent grades.

Whilst we place significant importance on academic attainment, we are particularly proud that our students achieve such incredible outcomes in addition to their sporting, musical and outdoor education honours. Particularly in the Sixth Form, where this adds great value to their personal statements and university and career applications.

Sporting

Teesside High School continues to punch above its weight in terms of sporting achievement. As a small school, we are proud of the following standout team achievements:

Netball

U16 National School Finalists
U16 School Regional Champions
U16 National School County Champions
U16A Stockton Tournament and District Champions
U13 Youth Games Champions
U13 and U12 Stockton District Champions
U12 Premiership Netball Winners

Hockey

U12, U14 and U16 County League Champions
U16 County Tournament Champions
Indoor Hockey Champions
NE Regional Semi Finalists

We also saw numerous individual successes; many pupils gained District, County and Regional representation in Netball, Hockey, Rugby, Cricket and Athletics. Special mentions must be made of pupils who have competed in the English Schools Cross Country, trained with the England Hockey Performance Centre, been selected for Leeds Rhinos and Manchester Thunder Netball teams, achieved outstanding awards with their County Cricket team and played football competitively at international level. In addition, one of our Year 13 students is ranked within the top 5 for kayaking in the country.

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Report of the Governors for the Year Ended 31 July 2019

STRATEGIC REPORT (continued)

Cultural

The School's commitment to a wide education supported by extensive extra-curricular provision has continued to grow with our Music and Drama departments flourishing. Our Performing Arts exhibition built on last year's success showcasing the best of our student talents in an evening variety performance precluded by an Art exhibition and refreshments created by the students themselves. The Senior School production saw a range of musical genres delivered during A Night at the Musicals and once again gave us the opportunity to work with some of our primary schools as part of a joint project showcased on the evening.

Our instrumentalists continue the successes with a 100% pass rate in examinations and 37% achieving the grade of distinction. Particularly noteworthy successes were grade 8 piano and trumpet achievements and a diploma for one of our music scholars in Year 12.

Our Duke of Edinburgh Scheme continues to develop student's self-reliance, resilience and teamwork. Our students clearly enjoy the challenge with over 50% of our Year 10 cohort involved with the bronze award and older students returning to complete silver and gold awards.

Financial Review

The Group's net incoming resources for the year were £282,107 (2018: £182,786) before depreciation and £207,518 net incoming resources after depreciation (2018: £64,249). The results were in line with expectations for the year and the Board are pleased with the improvements shown in the accounts for the year ended 31 July 2019.

Reserves Policy

The School's policy on the use of reserves is to support the aims of the Charity. In particular the aim is to generate sufficient surplus to cover repayment of loans and capital expenditure each year. The Governors are confident that the School is making significant progress towards this objective. Total reserves at 31 July 2019 are £2,330,383, and further details on reserves is given in notes 18,19 and 20 to the accounts.

Investment Policy and Objectives

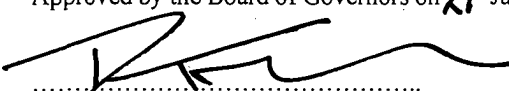
The Company has absolute power of investment of its corporate reserves. The Board continue to keep under review the investment risks and rewards in the current state of the market, and having taken professional advice, seek to obtain the best return from invested cash that on average exceeds general inflation.

Future Plans

Moving forward we will continue to strive to be the independent school of choice in the Tees Valley. We aspire to provide educational excellence in all areas of our academic profile, giving exceptional value added for our students, not only in examinations, but also in their experiences outside of the classroom.

Our vision of one school providing exceptional education for 3-18 year olds will continue to be a driving force, as we work together to create a seamless transition from one key stage to the next with our core values at the heart of all areas.

Approved by the Board of Governors on 27th July 2020 and signed on its behalf by:-


.....
Mr Robert R Tindle
Chairman of Governors

Teesside High School Limited
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Independent Auditor's Report
to the Members of Teesside High School Limited

Opinion

We have audited the financial statements of Teesside High School Limited for the year ended 31 July 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:-

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

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:-

- the governors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the governors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The governors are responsible for the other information. The other information comprises the information included in the Report of the governors, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Governors, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Report of the Governors have been prepared in accordance with applicable legal requirements.

Teesside High School Limited
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Independent Auditor's Report
to the Members of Teesside High School Limited

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Governors.

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

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

Responsibilities of governors

As explained more fully in the governors' responsibilities statement set out on page 3, the governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

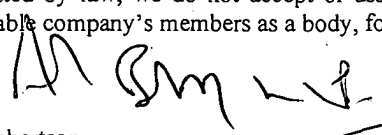
Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditors-responsibilities. 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.


D J Robertson
Senior Statutory Auditor
For and on behalf of Anderson Barrowcliff LLP
Statutory Auditors
Chartered Accountants
3 Kingfisher Court
Bowesfield Park
Stockton on Tees
TS18 3EX

Date: 27 May 2020

Teesside High School Limited
(A Company Limited by Guarantee)

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

		Unrestricted Funds	Restricted Funds	Total Funds 2019	Total Funds 2018
	Note	£	£	£	£
Income and endowments from:					
Donations and legacies	2	17,441	-	17,441	24,798
Charitable activities	3	4,039,504	-	4,039,504	3,756,438
Other trading activities	4	25,108	-	25,108	26,281
Investment income	5	457	-	457	2,421
Other - profit on disposal of fixed assets		-	-	-	1,149
Total income and endowments		4,082,510	-	4,082,510	3,811,087
Expenditure on:					
Charitable activities	6	3,866,989	8,003	3,874,992	3,746,838
Total Resources Expended		3,866,989	8,003	3,874,992	3,746,838
Net gains/(losses) on investments		-	-	-	-
Net income/(expenditure)		215,521	(8,003)	207,518	64,249
Transfers between funds		-	-	-	-
Net movement in funds		215,521	(8,003)	207,518	64,249
Funds brought forward at 1 August 2018		2,103,534	19,331	2,122,865	2,058,616
Funds carried forward at 31 July 2019		2,319,055	11,328	2,330,383	2,122,865

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The notes on pages 13 to 24 form part of these accounts


Teesside High School Limited
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Balance Sheet as at 31 July 2019


	<u>Notes</u>	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Fixed Assets					
Tangible assets	10	4,045,887	4,120,476	4,045,887	4,120,476
Investments	11	100,036	99,579	100,036	99,579
		<u>4,145,923</u>	<u>4,220,055</u>	<u>4,145,923</u>	<u>4,220,055</u>
Current Assets					
Debtors	12	81,863	136,777	81,863	136,777
Cash at bank & in hand		254,003	1,771	254,003	1,771
		<u>335,866</u>	<u>138,548</u>	<u>335,866</u>	<u>138,548</u>
Creditors : Amounts falling due within one year	13	(674,116)	(1,183,895)	(674,116)	(1,183,895)
Net Current (Liabilities)/Assets		<u>(338,250)</u>	<u>(1,045,347)</u>	<u>(338,250)</u>	<u>(1,045,347)</u>
Total Assets less Current liabilities		<u>3,807,673</u>	<u>3,174,708</u>	<u>3,807,673</u>	<u>3,174,708</u>
Creditors : Amounts falling due after more than one year	14	(1,477,290)	(1,051,843)	(1,477,290)	(1,051,843)
Net assets		<u>2,330,383</u>	<u>2,122,865</u>	<u>2,330,383</u>	<u>2,122,865</u>
Funds					
Unrestricted funds		2,319,055	2,103,534	2,319,055	2,103,534
Restricted funds	18	11,328	19,331	11,328	19,331
		<u>2,330,383</u>	<u>2,122,865</u>	<u>2,330,383</u>	<u>2,122,865</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The accounts were approved by the Board of Governors on 27th July 2020 and signed on its behalf by



 Mr R R Tindle
 Director



 Mr T Cook
 Director

The notes on pages 13 to 24 form part of these financial statements

Teesside High School Limited
(A Company Limited by Guarantee)

Cash Flow Statement
for the Year Ended 31 July 2019

	Notes	2019 £	2018 £
Cash inflow from operating activities	21	476,898	229,326
Interest paid		(61,954)	(48,228)
Net cash flow from operating activities		414,944	181,098
Cash flow from investing activities			
Payments to acquire tangible fixed assets		-	(85,027)
Proceeds from disposals		-	1,149
Investment income		-	2,421
Unrealised gains on investments		(457)	-
Net cash flow from investing activities		(457)	(81,457)
Cash flow from financing activities			
Capital repayment of long term loans		(55,916)	(228,626)
Repayment of hire purchase		(11,706)	(5,934)
New hire purchase		-	46,850
Refinancing of loans		312,671	-
Net cash flow from financing activities		245,049	(187,710)
Net (decrease)/increase in cash and cash equivalents		659,536	(88,069)
Cash and cash equivalents at 1 August 2018		(405,533)	(317,464)
Cash and cash equivalents at 31 July 2019		254,003	(405,533)

Teesside High School Limited
(A Company Limited by Guarantee)

Notes to the Accounts for the Year Ended 31 July 2019

1 ACCOUNTING POLICIES

(a) General information and basis of preparation

Teesside High School Limited is constituted as a company limited by guarantee in the United Kingdom, registered in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements are prepared on a going concern basis under the historical cost convention as amended by deemed cost. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Funds

General Funds are unrestricted funds which are available for use at the discretion of the governors in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted Funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

(c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Fees received in advance of education to be provided in future years are held as liabilities until taken to income in the term when used.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Grants of a revenue nature are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met, then these amounts are deferred.

Teesside High School Limited
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Notes to the Accounts for the Year Ended 31 July 2019

1 (d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. All expenditure is categorised as "Expenditure on charitable activities".

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

(e) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity.

The analysis of these costs is included in note 7.

(f) Tangible fixed assets

Tangible fixed assets costing less than £500 are not capitalised.

Freehold land has not been depreciated. Freehold buildings are maintained to a very high standard and are therefore considered to have an indefinite useful economic life. As such they are not depreciated, but annual impairment reviews have so far confirmed that their service potential remains undiminished. Depreciation of other assets is provided at rates calculated to write off the cost less estimated residual value evenly over the estimated useful economic lives of each class of asset, subject to annual review.

Temporary buildings	8-20 years
Furniture and equipment	3-10 years
Motor vehicles	5 years

(g) Investments

Listed Investments are stated at market value at the balance sheet date. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year.

Interest received on investments held as cash are credited to the SOFA.

(h) Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

(i) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(j) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Teesside High School Limited
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Notes to the Accounts for the Year Ended 31 July 2019

1 (k) Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment.

(l) Leases

Rentals payable and receivable under operating leases are charged to the SOFA on a straight line basis over the period of the lease.

(m) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

Retirement benefits to teachers of the school are provided by the Teachers' Pension Scheme (TPS). This is a defined benefit scheme which is externally funded and contracted out of the State Earnings - Related Pension Scheme. Contributions to the scheme are calculated so as to spread the cost of pensions over employees' working lives with the school in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by qualified actuaries on the basis of quinquennial valuations using a prospective benefit method. The TPS is a multi-employer scheme and the school is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

(n) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

(o) Going concern

The financial statements have been prepared on a going concern basis as the governors believe that no material uncertainties exist. The governors have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

(p) Judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the governors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period of the revision, if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

Teesside High School Limited
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Notes to the Accounts for the Year Ended 31 July 2019

2 INCOME FROM DONATIONS AND LEGACIES

	2019	2018
	£	£
Donations (note 19)	17,441	24,798
	<u>17,441</u>	<u>24,798</u>

3 INCOME FROM CHARITABLE ACTIVITIES

	2019	2018
	£	£
Tuition fees	3,677,406	3,423,438
Catering	212,467	199,756
Examinations	52,802	42,259
Transport/locker charges	83,124	74,150
Holiday/After School Care	13,693	14,089
Uniform sales	12	2,746
	<u>4,039,504</u>	<u>3,756,438</u>

4 INCOME FROM OTHER TRADING ACTIVITIES

	2019	2018
	£	£
Facility lettings	24,627	25,238
Commission	481	1,043
	<u>25,108</u>	<u>26,281</u>

5 INCOME FROM INVESTMENTS

	2019	2018
	£	£
Bank interest	457	159
Realised gain on investments	-	2,262
	<u>457</u>	<u>2,421</u>

Teesside High School Limited
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Notes to the Accounts for the Year Ended 31 July 2019

6 CHARITABLE ACTIVITIES

	Staff Costs £	Premises £	Other Costs £	Total 2019 £	Total 2018 £
Charity's educational operations					
• Direct costs	1,964,182	-	328,468	2,292,650	2,189,506
• Allocated support costs (note 7)	435,705	420,532	726,105	1,582,342	1,557,332
	<u>2,399,887</u>	<u>420,532</u>	<u>1,054,573</u>	<u>3,874,992</u>	<u>3,746,838</u>

Included in the above is restricted fund expenditure of £8,003 (2018 : £7,005)

	2019 £	2018 £
Net expenditure for the period includes:		
Operating leases - plant and machinery	19,234	19,234
Depreciation	74,587	118,537
Fees payable to auditor - audit	7,644	7,710
- other services	3,408	1,426
	<u>104,873</u>	<u>236,907</u>

7 ALLOCATED SUPPORT COSTS

	2019 £	2018 £
Support staff costs	435,705	424,432
Depreciation	74,587	118,537
Welfare costs	91,400	83,298
Premises costs	420,532	304,933
Administration costs	137,464	160,658
Grants awarded to pupils	293,211	328,709
Finance costs	73,679	60,137
Governance costs (note 8)	55,764	76,628
Total Support Costs	<u>1,582,342</u>	<u>1,557,332</u>

8 GOVERNANCE COSTS

	2019 £	2018 £
Legal & professional fees	18,464	25,154
Audit & accountancy	11,052	9,318
School inspection	5,872	5,300
Other Governance costs	808	1,239
Staff costs	19,568	35,617
	<u>55,764</u>	<u>76,628</u>

Teesside High School Limited
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Notes to the Accounts for the Year Ended 31 July 2019

9 STAFF COSTS

	2019	2018
	£	£
Wages & salaries	2,014,122	1,927,309
Social security costs	151,019	174,825
Pension contributions	234,746	233,442
	<hr/>	<hr/>
Total staff costs	<u>2,399,887</u>	<u>2,335,576</u>

No Governors remuneration or expenses were paid during the year.

	2019	2018
	Number	Number
The average number of employees in the year was:		
Teaching : Full time	26	26
Part time	15	18
Teaching support staff	18	19
Administration	9	10
Other	17	17
	<hr/>	<hr/>
	<u>85</u>	<u>90</u>

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

	2019	2018
	Number	Number
£60,001 - £70,000	-	1
£70,001 - £80,000	1	-
	<hr/>	<hr/>
	<u>1</u>	<u>1</u>

The key management personnel of the charity comprise the governors and the senior leadership team as listed on page 1. The total employees' benefits including employer pension contributions received by key management personnel for their services to the charity during the year was £235,672 (2018 : £280,863).

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Notes to the Accounts for the Year Ended 31 July 2019

10 TANGIBLE FIXED ASSETS

Group and Company

	Freehold Land & Buildings £	Furniture & Equipment £	Motor Vehicles £	Total £
Cost				
At 1 August 2018	4,069,078	1,201,230	107,642	5,377,950
At 31 July 2019	4,069,078	1,201,230	107,642	5,377,950
Depreciation				
At 1 August 2018	147,334	1,055,061	55,079	1,257,474
Provided during year	25,332	37,036	12,221	74,589
At 31 July 2019	172,666	1,092,097	67,300	1,332,063
Net Book Value				
At 31 July 2019	3,896,412	109,133	40,342	4,045,887
At 31 July 2018	3,921,744	146,169	52,563	4,120,476

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor Vehicles £
Cost	
At 1 August 2018	56,660
Transferred to owned assets	-
Additions	-
At 31 July 2019	56,660
Depreciation	
At 1 August 2018	4,985
Transferred to owned assets	-
Provided during year	11,332
At 31 July 2019	16,317
Net Book Value	
At 31 July 2019	40,343
At 31 July 2018	51,675

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Notes to the Accounts for the Year Ended 31 July 2019

11 INVESTMENTS

Group

	2019 £	2018 £
Deposit account	100,036	99,579
	<u>100,036</u>	<u>99,579</u>

The increase in value of £457 (2018: £2,399) relates to interest received.

12 DEBTORS

	2019 £	2018 £
Trade debtors	45,839	99,829
Prepayments	33,483	36,073
Other Debtors	2,541	875
	<u>81,863</u>	<u>136,777</u>

13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade creditors	42,580	83,114
Bank overdraft	-	407,304
Social Security & other taxes	44,313	42,156
Other creditors	29,493	30,282
Accruals & deferred income	460,628	343,539
Bank loan	83,764	264,042
Hire Purchase	13,338	13,458
	<u>674,116</u>	<u>1,183,895</u>

14 CREDITORS: DUE AFTER MORE THAN ONE YEAR

	2019 £	2018 £
Bank loan	1,460,644	1,023,612
Hire Purchase	16,646	28,231
	<u>1,477,290</u>	<u>1,051,843</u>

Hire purchase is secured on the asset to which it relates.

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Notes to the Accounts for the Year Ended 31 July 2019

15 BANK LOAN

	2019 £	2018 £
Amounts repayable by instalments:		
In one year or less	83,764	264,042
In over two to five years	367,788	931,562
In over five years	1,092,856	92,049
	<u>1,544,408</u>	<u>1,287,653</u>

On 28 September 2018, the three outstanding loans were refinanced with the current lender into one new loan facility. The new loan is £1.6m, with a term of five years repayable in quarterly instalments commencing in December 2018. Interest is payable at a variable rate of 2.95% over base rate.

16 SECURED DEBTS

	2019 £	2018 £
Bank loans	1,544,408	1,287,653
Overdraft facilities	-	407,304
Hire purchase agreement	29,984	41,689
	<u>1,574,392</u>	<u>1,736,646</u>

Bank loans and overdrafts are secured by a legal mortgage and fixed charge over all assets of the company. Hire purchase agreements are secured on the assets to which they relate.

17 LEASES

Operating leases - lessee

Total future minimum lease payments under non-cancellable operating leases are as follows:-

	2019 £	2018 £
Not later than one year	16,071	19,234
Later than one and not later than five years	4,737	20,808
	<u>20,808</u>	<u>40,042</u>

18 RESTRICTED FUNDS

	Hurworth House School £	Total £
Balance as at 1 August 2018	19,331	19,331
Spent in year	(8,003)	(8,003)
Balance as at 31 July 2019	<u>11,328</u>	<u>11,328</u>

The money from Hurworth House School is to be used for granting bursaries to students from the Darlington area.

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Notes to the Accounts for the Year Ended 31 July 2019

19 DESIGNATED FUNDS

	2019 £
Balance as at 1 August 2018	84,661
Donations recognised in the year	17,441
Spend in the year	-
	<hr/>
Balance as at 31 July 2019	102,102 <hr/> <hr/>

The designated fund consists of donations made to the Teesside High School Foundation, which supports the school to achieve its vision by contributing to the development and improvement of school facilities.

20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total £
Fixed assets	4,145,923	-	4,145,923
Current assets	324,538	11,328	335,866
Liabilities	(2,151,406)	-	(2,151,406)
	<hr/>	<hr/>	<hr/>
	2,319,055	11,328	2,330,383
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

21 RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2019 £	2018 £
Net income for year	207,518	64,249
Investment income	-	(2,421)
Interest payable	61,954	48,228
Depreciation and profit on disposal of fixed assets	74,588	117,388
Decrease/(increase) in stock	-	-
Decrease/(increase) in debtors	54,914	24,276
Increase/(decrease) in creditors	77,924	(22,394)
	<hr/>	<hr/>
Net cash flow from operating activities	476,898	229,326
	<hr/> <hr/>	<hr/> <hr/>

Teesside High School Limited
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Notes to the Accounts for the Year Ended 31 July 2019

22 PENSION SCHEMES

(a) Defined contribution pension plans

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the year was £9,302 (2018: £8,884).

The defined contribution liability is allocated to unrestricted funds.

(b) Defined benefit pension plans

Some of the school's employees belong to the Teachers Pension Scheme England and Wales (TPS). The scheme is a defined benefit scheme. The total pension cost was £227,950 (2018: £224,559). Contributions of £29,173 (2018: £28,035) were outstanding at the balance sheet date.

Introduction

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The Teachers' Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits, are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Act.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%.

A copy of the latest valuation report can be found by following this link to [the Teachers' Pension Scheme website](#)

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Notes to the Accounts for the Year Ended 31 July 2019

22 PENSION SCHEMES (continued)

Scheme Changes

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

23 CONTROL RELATIONSHIPS

The Company is under the control of the governors as noted on page 1.

24 RELATED PARTY TRANSACTIONS

No transactions have been entered into with related parties.