

Company Registration No. 10249712 (England and Wales)

**VISION ACADEMY LEARNING TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT AND AUDITED ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

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# VISION ACADEMY LEARNING TRUST

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# VISION ACADEMY LEARNING TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Trustees

L Daly (Resigned 19 September 2017)  
K van der Graaf  
J Graham  
C Irving  
L Lewis (Resigned 19 September 2017)  
R Long (Chair)  
J McGuire  
K Norton  
J Richards  
L Totty  
S White (Accounting Officer)

### Members

L Brown  
Dr Hall  
A McDowell  
S Stokes  
J Waugh (OBE)

### Senior management team

- Headteacher (Egglescliffe School) and Accounting Officer	Simon White
- Financial Director (Egglescliffe School)	Jill Turner
- Executive Headteacher (Junction Farm Primary School)	Karen Norton
- Headteacher (The Links Primary School)	Louise Daly

### Company secretary

Prima Secretary Limited

### Company registration number

10249712 (England and Wales)

### Registered office

Egglescliffe School  
Urlay Nook Road  
Stockton on Tees  
TS16 0LA

### Academies operated

Egglescliffe School  
The Links Primary School  
Junction Farm Primary School

### Location

Egglescliffe  
Egglescliffe  
Egglescliffe

### Principal

Simon White  
Louise Daly  
Karen Norton

### Independent auditor

Baldwins Audit Services Limited  
Wynyard Park House  
Wynyard Avenue  
Wynyard  
TS22 5TB

# **VISION ACADEMY LEARNING TRUST**

## **REFERENCE AND ADMINISTRATIVE DETAILS**

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### **Bankers**

Lloyds Bank plc  
5th Floor  
102 Grey Street  
Newcastle upon Tyne  
NE1 6AG

### **Solicitors**

Bond Dickinson LLP  
1 Whitehall  
Riverside  
Leeds  
West Yorkshire  
LS1 4BN

# VISION ACADEMY LEARNING TRUST

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2017

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The trustees present their annual report together with the accounts and independent auditor's report of the charitable company for the period 1 September 2016 to 31 August 2017. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust is a Multi-Academy Trust ("MAT") which during the period operated with 3 schools, Egglescliffe Secondary school, The Links Primary school and Junction Farm Primary school serving the catchment of south Stockton.

It has a capacity of: Nursery AM 65 Nursery PM 65 5-16 1805 Sixth Form 400

The roll in the January 2017 census was Nursery AM 45 Nursery PM 33 5-16 1653 Sixth Form 331

#### **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 VALT are also the trustees of the charitable company for the purposes of company law.

The charitable company is known as VISION Academy Learning Trust (VALT). Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

##### Members' liability

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

##### Trustees' indemnities

The Trust has purchased Trustees liability insurance which covers them for any legal action brought against them. The current insurance provides cover up to £5,000,000 on any one claim. Qualifying third party indemnity provisions (as defined by S236 of the Companies Act 2006) were in force during the period and remain in force in relation to certain losses and liabilities which the Trustees or other officers may incur to third parties in the course of acting as Trustees of the Academy Trust.

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

The original members of the Trust, as named in the incorporation documents are the signatories to the funding agreement between the Trust and the Secretary of State being Mrs Lynda Brown, Dr Hall, Mr Andy McDowall, Mrs Susan Stokes, Mr John Waugh (OBE). Louise Daly, Kathryn van der Graaf, Josie Graham, Charlotte Irving, Lesley Lewis, Richard Long, Jill McGuire, Karen Norton, Janet Richards, Lana Totty, Simon White are trustees of the charitable company.

The Secretary of State may, in special circumstances appoint such additional trustees as she feels fit. To date there have been no such additions.

From the Articles of Association the constitution of the Trust board is as follows:

- The number of trustees shall not be less than three:
- Up to 11 trustees appointed under article 46:
- A minimum of 2 parent governors appointed under Articles 53-56
- Any co-opted trustees appointed under article 58

Future trustees shall be appointed or elected, as the case may be, under these articles, the total number of trustees who are employees of the Academy Trust shall not exceed one third of the total number of trustees.

Provision has been made for the election and appointment of 2 parent governors on the Local Governing Body ("LGB").

# VISION ACADEMY LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2017**

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

We recognise the positive contribution that trustees can make to our organisation, when they have the commitment, training and are given opportunity to do so. We therefore aim to attract and retain trustees who have the experience, skills and desire to make a difference to their local community. The induction and training of new trustees will be managed by the Chair of the Board of Trustees. Training will be purchased from AVEC, Governor services at Stockton BC, membership of the National Governors Association and bespoke in-house training from external providers, for example interpretation of student data and Raise-online.

### Organisational structure

On 24th June 2016, on conversion to MAT status, the Trust Board was retained in a similar format to pre-conversion. It was decided that as the MAT expands, each School will also have a LGB. A LGB has been established at Egglecliffe School, Junction Farm Primary School and The Links Primary School.

In addition to these LGBs, the trustees have appointed separate sub committees to consider resources, health and safety, audit, finance and resources, discipline and appeals. The committee terms of reference are set out in our Governance Handbook and reviewed annually. The annual budget is submitted to the trustees for approval, prior to submission to the Education and Skills Funding Agency (ESFA), and the Board also receives regular reports on Trust spend via the Finance and Resources Committee.

Day to day responsibility for operating the Trust has been delegated to the CEO who manages the Trust and implements policies approved by the trustees. The CEO fulfils the role of Accounting Officer and his responsibilities, together with an explanation of other additional delegated authorities includes:

#### Staffing

- Ensuring all centralised staff are in post and effectively line managed.
- Chair the Executive Head Teacher committee

#### Finance

- Responsible for the line management of all central services including the management of the Head of Finance and Operations.
- Ensure compliance with the requirements of the Master Funding Agreement and Supplemental Funding Agreements for the Academy Trust.
- As the Accounting Officer for the Academy Trust, be personally responsible for the propriety and regularity of the public finances within the Trust.
- Ensure compliance with the Academy Trust Scheme of Delegation.

#### Risk Management

- Risk management has been incorporated into the agenda for the audit committee
- Executive Head Teacher (EHT) meetings are timetabled to update and identify the risk / potential risk against a probability scale with identify preventative and resilience measures. Risks to the Trust have been identified in the Trust risk register with appropriate actions identified to limit impact to the organisation.

#### Engagement with other stakeholders

- To promote the ethos and vision of the Academy Trust and to present it to a wide range of audiences.
- Be the main point of contact for the Local Authority, EFA, DfE and other key bodies in respect of all aspects of the Trust.

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

The pay and remuneration of the CEO, Executive Head Teacher and Finance Director is decided by the Trust board. The trust has delegated responsibility to Local Governing Bodies for other teachers and non-teaching staff having regard to the national framework and School Teacher's Pay and Conditions Document, taking into account the extent to which they have achieved their performance targets and objectives.

# VISION ACADEMY LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2017**

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### **Objectives and activities**

#### Objects and aims

The fundamental object and activity of the charitable company is to advance for the public benefit education in the United Kingdom, providing education for children of differing abilities aged 5 – 18. In accordance with the articles and association, the company has adopted the scheme of governance approved by the Secretary of State of Education.

The VISION Academy Learning Trust aims are founded on the following:

#### **Ethos and Values**

- promote an inclusive ethos, in which diversity of need and ability is acknowledged and nurtured.
- be guided by a strong ethical code, deep accountability, encouraging social awareness to help students understand and meet with confidence the challenges of a diverse and changing society and the world of work.

#### **Collaboration and partnership**

- engage with our parents, students and schools / academies to work closely together to ensure that every student is expected to achieve highly
- value each member of the VISION MAT community by trusting, supporting and treating each other with dignity and respect.
- work closely with all our partner schools within the VISION Academy Learning Trust. We value an open line of communication to ensure that best practice is shared across the Trust so all staff develop professionally and all children succeed
- ensure positive relationships with our local community and employers to support the opportunities for preparing our students for life beyond the Trust.

#### **Aspiration and excellence**

- ensure that children are safe, healthy, positively contribute to their whole community, and achieve economic and academic well-being in adult life.
- ensure that all students succeed and thrive in school by raising aspirations and tackling disadvantage
- achieve excellence for all students so that they make good progress, and they are able to make informed choices, solve problems and make good decisions.
- Develop a curriculum fit for purpose and meets the needs of both the students and accountability measures.

#### **Accountability**

- have rigorous quality assurance systems, strong governance and a framework of accountability and responsibility by all.
- has high expectations that both staff and students will aspire to be the best they can be. As a family of schools, we support, develop and aim to retain highly motivational staff.

# VISION ACADEMY LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2017

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#### Objectives, strategies and activities

The Board focused on five key priorities during 2016 – 2017:

1. Our school's centres of excellence – This focused on:
  - Ensuring outstanding Safeguarding through trust wide training and school safeguarding reviews
  - Targeted Improvement through maths intervention and a focus on more able, SEND and PP students
  - Developing a common progress and tracking system across the primary schools.
2. Collaboration within the trust. This included the following strategies and activities
  - Implementing a common format for a Trust wide SEF and SIP
  - Developing opportunities for student leadership, sport delivery and music across the Trust
  - Developing opportunity for Trust wide CPD
  - Our schools centres of excellence
  - Collaboration within the trust
  - Financial stability and operational strength
  - Leadership and Governance
  - MAT stability and future growth
3. Financial stability and operational strength through:
  - Compliance with the Master Funding Agreement and Financial handbook
  - Completing a detailed financial due diligence of risks and opportunities
  - Analysing and implementing potential shared central services and agreements
4. Leadership and Governance
  - The roles and responsibilities of Trustees have been embedded through the board meetings with a focus on school accountability and development of the Strategic plan.
  - Statutory policies have been developed, agreed and implemented and published on Trust website
5. MAT stability and future growth
  - The Board ensured the MAT consolidated policies and procedures during the first 6 months
  - Continued development of relationships with other providers continued through a DfE Sponsor application, Teaching Alliance and NLE network and Transforming Tees

The Strategic Plan for VISION was a standing item on the Board meetings with a full report from the CEO on progress, strategies employed and progress.

The Board will focus on the five key priorities that will be monitored at each Board meeting over the next 12 months

#### Public benefit

Both Junction Farm and Egglescliffe School are the named schools in the Campus Stockton Teaching Alliance. Throughout the year the management board has been able to offer a number of schools and academies bespoke support for targeted key stages, subjects and leadership levels. The Head Teachers at Junction Farm and Egglescliffe are National Leaders of Education and have carried out a number of pupil premium reviews in primary and secondary schools as well as brokering individual school to school support.

This school to school activity will continue and Teaching Alliance reports and financial statements tabled with the Trustees.

The trustees have complied with their duty to have high regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.



# VISION ACADEMY LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

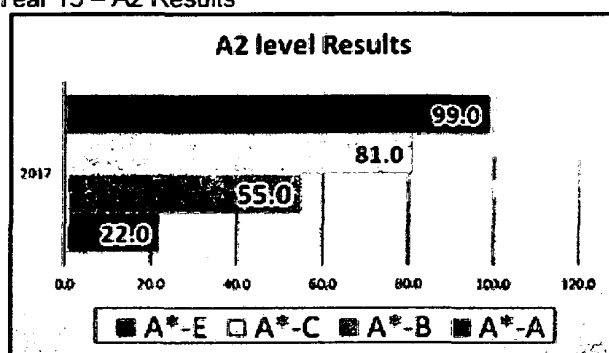
### Strategic report

#### Achievements and performance

Strategic Report – Eggescliffe School Achievements and Performance Results 2017

Eggescliffe School's achievements at the end of 2016/2017 academic year show that:

#### Year 13 – A2 Results



#### L3 - A-Level

Number of A-Level entries	495
Average point score per entry – A-Level	35.8
Average point score per entry expressed as a grade	B-
% A*- B grades – A levels <sup>1</sup>	55.6%
% A*- E grades – A levels <sup>1</sup>	99.4
% A level students achieving 3 A levels at grades AAB or higher in at least 2 facilitating subjects	15.3
VA progress score for A Levels	0.03

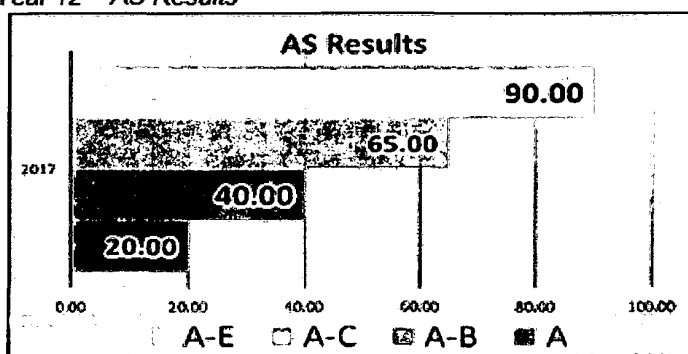
#### L3 - Academic qualification (all academic qualifications including A-Levels)

Number of Academic entries	503
Average point score per entry – Academic	35.5
Average point score per entry expressed as a grade	B-
VA progress score for Academic	0.04

#### L3 - Applied General Qualifications

Number of entries	4
Average point score per entry – Applied General	40
Average point score per entry expressed as a grade	B
VA progress score for Applied General qualifications	0.41

#### Year 12 – AS Results



# VISION ACADEMY LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

### Year 11 – GCSE Results

English				Maths				Basics (English & maths)		
	En 4+	En 5+	En 7+		Ma 4+	Ma 5+	Ma 7+		4+	5+
<b>Cohort</b>	<b>89%</b>	<b>76%</b>	<b>34%</b>	<b>Cohort</b>	<b>83%</b>	<b>65%</b>	<b>25%</b>	<b>Cohort</b>	<b>79%</b>	<b>58%</b>

<ul style="list-style-type: none"> <li>• Attainment 8 Score = 54</li> <li>• EBacc Achieved = 36%</li> <li>• 2+ A*-C Science = 75%</li> <li>• A*-C in Humanities = 86%</li> <li>• A*-C in Modern Foreign Languages = 63%</li> </ul>	
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**Junction Farm Primary School's achievements** at the end of 2016/2017 academic year show that

#### Key Stage 2 performance data

		Reading	Writing	Spag	Maths	Combined
Junction Farm	Expected	88%	93%	85%	98%	83%
	Greater Depth	32%	38%	55%	46%	22%

Progress measures for Junction Farm, KS1 to KS2 are as follows

	All pupils		Pupils progress summary
Reading	3.21	Sig +	Top 25%
Writing	2.92	Sig +	Top 25%
Maths	4.82	Sig +	Top 5%

**The Links Primary School's achievements** at the end of 2016/2017 academic year show that:

#### Key Stage 2 performance data

		Reading	Writing	Spag	Maths	Combined
The Links	Expected	90%	90%	97%	86%	76%
	Greater Depth	41%	34%	41%	18%	14%

Progress measures for The Links, KS1 to KS2 are as follows

	All pupils		Pupils progress summary
Reading	3.21	Sig +	Top 25%
Writing	2.11	Sig +	Top 25%
Maths	0.25	Sig +	Middle 20%

# **VISION ACADEMY LEARNING TRUST**

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

### **FOR THE YEAR ENDED 31 AUGUST 2017**

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#### Key Performance Indicators

The Trust works within the guidance of the Academies Financial Handbook to ensure financial propriety, effective and efficient use and deployment of all resources at its disposal. Trustees have planned for regular meetings and monthly reports alongside reports provided by the Finance Director. Information will be in a clear concise format with budgetary changes highlighted and commentaries attached, whereby the trust finances and any potential anomalies would be addressed if required.

Financial performance indicators include;

- All spending is appropriate and supports the common goal of improving educational outcomes
- No trustee/governor/employee has benefitted personally from the use of these funds
- Payroll services fully meet tax obligations
- There is probity in the use of public funds
- Competitive tendering is in place
- Regular reviews of projected and actual student numbers and staffing requirements take place

For the period 1st September 2016 to 31st August 2017, statutory external audit will be provided via Baldwins Audit Services Limited, and internal audit via Baldwins Audit Services Limited (different staff to those undertaking the annual audit).

#### Going concern

The board of trustees has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the next two years. Year 3 is showing a deficit position and for this reason the Trust has asked the CEO to prepare a financial efficiency forecast to 2020. When this is completed by December 2017, the Trustees with the CEO will agree appropriate actions.

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.

#### **Financial review**

The grants received from the ESFA and associated expenditure from 1 September to 31 August 2017 are shown as restricted funds in the Statement of Financial Activities.

The restricted fixed asset fund balance has been reduced by annual depreciation charges over the expected useful life of the assets concerned.

Net income for the period was £274,735 (before actuarial gains on the LGPS). The deficit for the period was £109,265, after charging depreciation of £429,838, which is non-cash item. Before depreciation the surplus was £320,573.

At 31 August 2017 the net book value of fixed assets was £21,689,808. Movements in tangible fixed assets are shown in the financial statements. The assets are used primarily for providing the Trust's educational operations and associated support to students.

An actuarial gain of £1,151,000 has arisen this year, which with other movements has decreased the LGPS pension deficit to £1,191,000. This deficit is planned to be eliminated over a period of 20 years by increased employer's contribution. Further details of the actuarial valuation and assumptions are included at note 19.

# VISION ACADEMY LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2017

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#### Reserves policy

The Trust holds restricted and unrestricted funds. (the attached financial statements details these funds).

The level of reserves is reviewed by the Trustees regularly throughout the year. The minimum level of reserves for the ongoing needs of the Trust is reviewed by the Trustees on an annual basis. The Trustees consider it prudent to hold unrestricted reserves in the general fund in the form of free reserves (total funds less the amount held in fixed assets and restricted funds) of the equivalent of 2 weeks expenditure which currently equates to a minimum of £350K.

The Trust's level of reserves at 31st August are £760,094, including restricted general reserves of £372,540 (excluding restricted fixed assets reserves) and unrestricted reserves of £387,554. Net current assets at 31 August 2017 was £1,271,055. The Trust received funding from the DFE during the year to help with its expansion and this is included in the reserves. The Trustees believe that the level of reserves held by the Trust as at 31st August 2017 is sufficient to meet the Reserves Policy.

As the Trust continues to grow the reserves policy will continue to be monitored and reviewed.

#### Investment policy and powers

The Academy trust does not hold investments other than Cash at Bank. Trustees are firmly committed to ensuring that all funds under their control are administered in such a way as to maximise return while minimising risk. Trustees do not consider the investment of surplus funds as a primary activity, but rather a requirement for the effective management of the various funds entrusted to the Board.

The trust aims to manage its cash balances to provide for the day to day working capital requirements of its operation, whilst protecting the real long-term value of any surplus cash balances against inflation. During this accounting period the Trust has not adopted any investment

The Academy Trust will operate an interest bearing current account with a bank approved by the Board of Trustees (currently Lloyds Bank ) and maintain sufficient balances to ensure there are adequate liquid funds to cover all immediate and forthcoming financial commitments, including maintaining a sufficient contingency for unexpected payments. Monies surplus to the working requirements shall be invested in term deposits with the current banker or with another UK institution regulated by the Financial Conduct Authority or the Prudential Regulation Authority.

The Academy Trust will not take out any long term deposits until reliable cash flow pattern had been established, monies will only be paid into term deposits not exceeding six months.

# VISION ACADEMY LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2017

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#### Principal risks and uncertainties

The Trust and each school within it have in place a risk register with the main items of risk being reviewed at LGB and trust board meeting.

The trust has in place a risk management strategy and risk register. The CEO and Financial Director have lead responsibility for the risk management processes and Risk Register. The Risk Register is formally reviewed each term by the CEO and FD. The principal risks are as follows:

#### Section 1: Sustainability

- Lack of funding results in unsustainable Academy operation (national funding, numbers on roll, pension deficit, pupil numbers, inflation etc.)
- Critical Incidents
- Overall performance results

#### Section 2: Governance

- Reputational
- Succession Planning
- Finance
- Fraud & Data Security
- Employment laws risk; including pensions
- Health & Safety risk
- Facilities and adequacy of investment
- Governance structure and skills of Board/LGB

#### Section 3: New Academies

- Reputational
- Distance
- Resource: Team & Finance
- Contractual exposures
- Resource: IT
- Resource: Contracts - Catering, cleaning, grounds, facilities etc
- Title

In addition the Trust has a financial handbook in place which ensures that the systems are in place to enable sound financial management across the trust. The Trust had three Internal Assurance visits during the year and these were carried out by the external auditor. The assurance reports were presented to the Trust Audit committee for discussion and review. There were no areas of major concern identified in these reports. At the year end the trust had no significant liabilities arising from trade creditors or debtors which would have an effect on the liability of the trust.

The principal risk to the trust is a financial one. The 3 year forecast anticipates a significant deficit. Measures will be taken during the next 2 years to ensure that this risk is reduced.

#### Plans for future periods

The priority for the Trust in 2017-2018 is to continue to improve levels of achievement for all students in line with our vision that all children reach their full potential and has specific KPI's in the strategic plan. The Trust is committed to effective and sustainable school improvement and provides a broad and balance curriculum which prioritises the development of English and mathematics skills in order to give our children the best chance of succeeding in life.

# VISION ACADEMY LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2017**

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Following the conversion to a Multi Academy Trust on the 24th June 2016, we were successful in being granted the following from the DfE:

- Sponsor Application
- Academy Growth Application

These funds will be used to fulfil our priority to ensure that the Trust's vision, ethos, policy and practice is shared and developed to ensure we become a strong and educational successful academy trust.

Vision Academy Learning Trust is in the process of having two additional schools join the trust before December 2017. One of the schools will be a sponsor school utilising the DfE approved grant.

Egglescliffe school were successful in obtaining funding from the Condition Improvement Fund application. New windows will be installed in the forthcoming year to improve energy efficiency and improve health and safety.

### **Funds held as custodian trustee on behalf of others**

The Trust holds no funds as Custodian Trustee or on behalf of others.

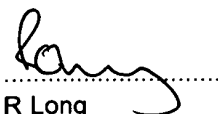
### **Auditor**

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- So far as that Trustees is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee have taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

A resolution proposing that Baldwins Audit Services Limited 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 .....*WMO*..... and signed on its behalf by:



R Long  
Chair

# VISION ACADEMY LEARNING TRUST

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2017**

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### Scope of responsibility

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

The board of 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 the VALT and the Secretary of State of 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 Trustees' responsibilities statement. The board of trustees formally met 6 times during the period 1st September 2016 to 31st August 2017. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
L Daly (Resigned 19 September 2017)	6	6
K van der Graaf	4	6
J Graham	5	6
C Irving	5	6
L Lewis (Resigned 19 September 2017)	6	6
R Long (Chair)	6	6
J McGuire	5	6
K Norton	6	6
J Richards	2	6
L Totty	4	6
S White (Accounting Officer)	6	6

The Trust has established a number of committees including Finance and Resources, Audit and Local Governing Bodies. The board of Trustees considered the following during the period September 16 – 2017.

- Approval of the annual accounts
- Approval of the 2017/2018 annual budget
- Review of individual school progress and results
- Review and monitoring of the Trust strategic plan
- Review Trust growth and consolidation
- Analyse specific reports and data of progress of key cohorts – pupil premium, SEND and most able
- Safeguarding assurances and Trust safeguarding review

### Governance Reviews

As a newly formed academy trust an initial Governor Competence Audit will be undertaken in 2017 in order to identify any skills gaps and training needs. We will report on the impact and outcomes of this review in the next year's Governance Statement.

# VISION ACADEMY LEARNING TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2017

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The Finance & Resources Committee is a sub committee of the main board of trustees. Its main purpose and responsibilities of the Finance, Resources Committee are detailed in written terms of reference which have been authorised by the Board.

The main responsibilities include:

- The initial review and authorisation of the annual budget, to then be presented to the Board;
- The regular monitoring of actual income and expenditure against budget;
- Ensuring the annual accounts are produced in accordance with the requirements of the Companies Act 2006 and the DfE guidance issued to academies;
- Authorising the award of contracts over £50,000.
- Authorising changes to the Trust personnel establishment.
- Oversee Capital investment programmes
- Establish, monitor and review employment policies on behalf of the Trustees
- Set and monitor remuneration levels for members of staff except Head teachers, and the Finance Director. Remuneration levels for those members of staff will be set by GB having considered the recommendations of this committee
- Contribute to the appraisal of the CEO and Finance Director
- The Committee is responsible for the detailed consideration as to the best means of fulfilling the Trust's responsibility to ensure sound management of the Trust and Academy finances and resources, including proper planning, monitoring and probity.

Issues dealt with during the year included:

- Review of a number of employment policies
- Cashflow and 3 year forecast forecast
- Centralised staffing review
- School performance; in year progress
- School SEF and SIP

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
L Daly (Resigned 19 September 2017)	3	3
K van der Graaf	1	3
C Irving	3	3
R Long (Chair)	3	3
J Richards	3	3
L Totty	3	3



# VISION ACADEMY LEARNING TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2017

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The audit committee is also a sub – committee of the main board of trustees. Its purpose is to:

- Provide assurance to the Board on the adequacy of financial controls within the Trust.
- Responsible to the Board for ensuring compliance with the Funding Agreement and all relevant financial regulations relating to the Trust are observed.
- On an annual basis the Audit Committee will commission a programme of internal audit testing to be carried out by the external auditors to support them in their role.
- The Audit Committee receives the reports of the external auditor in respect of both internal and external audits.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
J Graham	3	3
L Lewis (Resigned 19 September 2017)	3	3
R Long (Chair)	3	3
J McGuire	2	3
S White (Accounting Officer)	3	3

#### Review of value for money

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

The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved. This includes the use of benchmarking data where available. The Accounting Officer has delivered improved value for money during the year by:

- Renegotiating a number of contracts on a trust wide basis. These included; buildings annual maintenance, refuse collection, copiers and grounds maintenance
- An ongoing review of contracts and service level agreements is undertaken and these are always reviewed against the 'market' in order to ensure that best value is achieved- which is not necessarily the cheapest option. Multiple quotes and a formal tendering process is used where appropriate to ensure that the market is tested adequately.

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

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing 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 Vision Academy Learning Trust for the period 1st September to 31st August 2017 and up to the date of approval of the annual report and financial statements.

#### Capacity to handle risk

The board of trustees will receive a Risks register identifying 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. Once approved, the board of trustees will be able to form a view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks, for the period 1st September 2016 – 31st August 2017 and up to the date of approval of the annual report and financial statements. This process will be regularly reviewed by the board of trustees.

# VISION ACADEMY LEARNING TRUST

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2017**

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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 board of trustees;
- regular reviews by the finance committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks;

The board of trustees will consider the need for a specific internal audit function and has decided:

- not to have an in-house internal audit function
- to appoint Baldwins Audit Services Limited ("the reviewer") to give advice on financial matters, to arrange independent health checks and to brief trustees on any audit matters

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

- Testing of payroll systems
- Testing of purchase systems
- Testing of control account/bank reconciliations
- Testing of governance processes and procedures

All advice has been considered and taken on board. The internal auditors have delivered their schedule of work as planned and in line with the EFSA requirements and there were no material control issues identified as a result of their work.

### **Review of effectiveness**

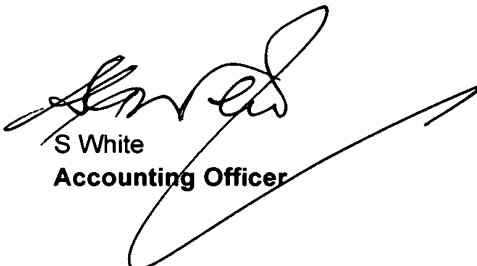
As accounting officer, the CEO has responsibility for reviewing the effectiveness of the system of internal control. During the period in question the review has been informed by:

- the work of the external auditors;
- the financial management and governance self-assessment process;

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the audit committee and a plan to address any weaknesses and ensure continuous improvement of the system will be developed.

Approved by order of the board of trustees on 11/12/17 and signed on its behalf by:

  
R Long  
Chair

  
S White  
Accounting Officer

# **VISION ACADEMY LEARNING TRUST**

## **STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2017**

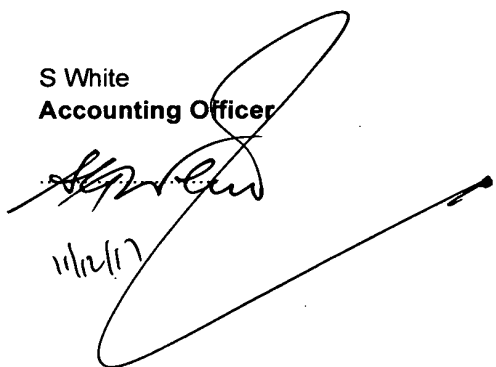
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As accounting officer of Vision Academy Learning Trust I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

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 Academies Financial Handbook 2016.

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 White  
Accounting Officer



11/12/17

# VISION ACADEMY LEARNING TRUST

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

**FOR THE YEAR ENDED 31 AUGUST 2017**

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The trustees (who also act as governors for Vision Academy Learning Trust and are also the directors of Vision Academy Learning Trust for the purposes of company law) are responsible for preparing the Trustees' Report and the accounts in accordance with the Annual Accounts Direction issued 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 2015 and the Academies Accounts Direction 2016 to 2017;
- 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 board of trustees on .......... and signed on its behalf by:



R Long  
Chair

# VISION ACADEMY LEARNING TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VISION ACADEMY LEARNING TRUST

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### Opinion

We have audited the accounts of Vision Academy Learning Trust for the year ended 31 August 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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 2015 and the Academies Accounts Direction 2016 to 2017 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 2017 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 2015 and the Academies Accounts Direction 2016 to 2017.

### 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

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 trustees' use of the going concern basis of accounting in the preparation of the accounts is not appropriate; or
- the trustees have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the academy trust'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 accounts are authorised for issue.

### 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. 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.

In connection with our audit of the accounts, 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 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 accounts 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.

# VISION ACADEMY LEARNING TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VISION ACADEMY LEARNING TRUST (CONTINUED)

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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 our 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 have 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:

- 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.

# VISION ACADEMY LEARNING TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VISION ACADEMY LEARNING TRUST (CONTINUED)

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### Auditor's responsibilities for the audit of the financial statements

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.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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. 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 auditors' 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's members as a body, for our audit work, for this report, or for the opinions we have formed.

Baldwin

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

13/12/17  
.....

**Chartered Accountants**  
**Statutory Auditor**

Wynyard Park House  
Wynyard Avenue  
Wynyard  
TS22 5TB

# **VISION ACADEMY LEARNING TRUST**

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO VISION ACADEMY LEARNING TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 19 September 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Vision Academy Learning Trust during the period 1 September 2016 to 31 August 2017 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 Vision Academy Learning Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Vision Academy Learning Trust 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 Vision Academy Learning Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of Vision Academy Learning Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Vision Academy Learning Trust's funding agreement with the Secretary of State for Education dated 25 July 2016 and the Academies Financial Handbook, extant from 1 September 2016, 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 2016 to 2017. 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 2016 to 31 August 2017 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

### **Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2016 to 2017 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.



# VISION ACADEMY LEARNING TRUST

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO VISION ACADEMY LEARNING TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

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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 2016 to 31 August 2017 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*Baldwins*

**Reporting Accountant**  
Baldwins Audit Services Limited

Dated: 13/12/17

# VISION ACADEMY LEARNING TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2017

		Unrestricted Funds	Restricted funds: General Fixed asset		Total 2017	Total 2016 1 month
	Notes	£	£	£	£	£
<b>Income and endowments from:</b>						
Donations and capital grants	3	-	-	546,869	546,869	45,654
Donations - transfer from local authority on conversion		-	-	-	-	21,162,269
Charitable activities:						
- Funding for educational operations	4	434,485	9,067,837	-	9,502,322	902,420
Teaching schools		-	76,000	-	76,000	-
Other trading activities	5	461,107	-	-	461,107	1,594
Investments	6	963	-	-	963	16
<b>Total income and endowments</b>		<u>896,555</u>	<u>9,143,837</u>	<u>546,869</u>	<u>10,587,261</u>	<u>22,111,953</u>
<b>Expenditure on:</b>						
Raising funds	7	483,445	-	-	483,445	-
Charitable activities:						
- Educational operations	8	388,960	9,357,247	429,838	10,176,045	819,825
Teaching schools		-	37,036	-	37,036	-
<b>Total expenditure</b>	<b>7</b>	<u>872,405</u>	<u>9,394,283</u>	<u>429,838</u>	<u>10,696,526</u>	<u>819,825</u>
<b>Net income/(expenditure)</b>		24,150	(250,446)	117,031	(109,265)	21,292,128
Transfers between funds		1,546	31,368	(32,914)	-	-
<b>Other recognised gains and losses</b>						
Actuarial gains/(losses) on defined benefit pension schemes	19	-	1,151,000	-	1,151,000	(564,000)
<b>Net movement in funds</b>		25,696	931,922	84,117	1,041,735	20,728,128
<b>Reconciliation of funds</b>						
Total funds brought forward		361,858	(1,750,382)	22,116,652	20,728,128	-
Total funds carried forward		<u>387,554</u>	<u>(818,460)</u>	<u>22,200,769</u>	<u>21,769,863</u>	<u>20,728,128</u>

# VISION ACADEMY LEARNING TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2017

Comparative year information		Unrestricted	Restricted funds:		Total
Year ended 31 August 2016		Funds	General	Fixed asset	2016
	Notes	£	£	£	£
<b>Income and endowments from:</b>					
Donations and capital grants	3	-	-	45,654	45,654
Donations - transfer from local authority on conversion		360,248	(1,304,359)	22,106,380	21,162,269
Charitable activities:					
- Funding for educational operations	4	-	902,420	-	902,420
Other trading activities	5	1,594	-	-	1,594
Investments	6	16	-	-	16
<b>Total income and endowments</b>		<b>361,858</b>	<b>(401,939)</b>	<b>22,152,034</b>	<b>22,111,953</b>
<b>Expenditure on:</b>					
Charitable activities:					
- Educational operations	8	-	784,443	35,382	819,825
<b>Total expenditure</b>	<b>7</b>	<b>-</b>	<b>784,443</b>	<b>35,382</b>	<b>819,825</b>
<b>Net income/(expenditure)</b>		<b>361,858</b>	<b>(1,186,382)</b>	<b>22,116,652</b>	<b>21,292,128</b>
<b>Other recognised gains and losses</b>					
Actuarial losses on defined benefit pension schemes	19	-	(564,000)	-	(564,000)
<b>Net movement in funds</b>		<b>361,858</b>	<b>(1,750,382)</b>	<b>22,116,652</b>	<b>20,728,128</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		-	-	-	-
<b>Total funds carried forward</b>		<b>361,858</b>	<b>(1,750,382)</b>	<b>22,116,652</b>	<b>20,728,128</b>

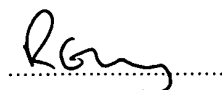
# VISION ACADEMY LEARNING TRUST

## BALANCE SHEET

AS AT 31 AUGUST 2017

	Notes	2017 £	£	2016 £	£
<b>Fixed assets</b>					
Intangible assets	12		2,086		2,624
Tangible assets	13		21,687,722		22,068,374
			<u>21,689,808</u>		<u>22,070,998</u>
<b>Current assets</b>					
Debtors	14	276,958		354,909	
Cash at bank and in hand		1,592,141		412,029	
		<u>1,869,099</u>		<u>766,938</u>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	15	(598,044)		(151,808)	
<b>Net current assets</b>			<u>1,271,055</u>		<u>615,130</u>
<b>Net assets excluding pension liability</b>			<u>22,960,863</u>		<u>22,686,128</u>
Defined benefit pension liability	19		(1,191,000)		(1,958,000)
<b>Net assets</b>			<u><u>21,769,863</u></u>		<u><u>20,728,128</u></u>
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>	17				
- Fixed asset funds			22,200,769		22,116,652
- Restricted income funds			372,540		207,618
- Pension reserve			(1,191,000)		(1,958,000)
<b>Total restricted funds</b>			<u>21,382,309</u>		<u>20,366,270</u>
<b>Unrestricted income funds</b>	17		<u>387,554</u>		<u>361,858</u>
<b>Total funds</b>			<u><u>21,769,863</u></u>		<u><u>20,728,128</u></u>

The accounts set out on pages 24 to 50 were approved by the board of trustees and authorised for issue on ..... and are signed on its behalf by:



R Long  
Chair

Company Number 10249712

# VISION ACADEMY LEARNING TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2017

		2017		2016	
	Notes	£	£	£	1 month £
<b>Cash flows from operating activities</b>					
Net cash provided by (used in) operating activities	20		680,927		(62,530)
Cash funds transferred on conversion			-		428,889
			<u>680,927</u>		<u>366,359</u>
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		963		16	
Capital grants from DfE and ESFA		546,869		45,654	
Payments to acquire tangible fixed assets		<u>(48,647)</u>		<u>-</u>	
			<u>499,185</u>		<u>45,670</u>
<b>Change in cash and cash equivalents in the reporting period</b>			<u>1,180,112</u>		<u>412,029</u>
Cash and cash equivalents at 1 September 2016			<u>412,029</u>		<u>-</u>
<b>Cash and cash equivalents at 31 August 2017</b>			<u><u>1,592,141</u></u>		<u><u>412,029</u></u>

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2017

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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 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Vision Academy Learning Trust meets the definition of a public benefit entity under FRS 102.

##### 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.

The reported share of the LGPS deficit at the balance sheet date has a significant impact on our restricted fund, however we draw your attention to the cash reserves held by the academy as well as the balances held in unrestricted and general reserves.

##### 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 receivable

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.

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

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### 1 Accounting policies

(Continued)

#### 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.

#### Donated goods, facilities and services

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

#### 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.

#### Governance costs

These include the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management, trustees' meetings and reimbursed expenses.

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

### 1 Accounting policies

(Continued)

#### 1.5 Intangible fixed assets and amortisation

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment. Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

- Purchased computer software - 4 years

#### 1.6 Tangible fixed assets and depreciation

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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 and buildings	125 years
Buildings	50 years
Computer equipment	4 years
Fixtures, fittings & equipment	4 years
Motor vehicles	4 years

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. Land and buildings have been valued by trustees on a depreciated replacement cost basis by reviewing the values in the financial statements of similar schools within the borough of Stockton on Tees. Other assets transferred on conversion have been valued based on an estimated book value based on their original purchase cost.

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.

#### 1.7 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.



# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

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### 1 Accounting policies

(Continued)

#### 1.8 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

#### 1.9 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.

#### 1.10 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.

#### 1.11 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 so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 19, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

### 1 Accounting policies

(Continued)

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

#### 1.12 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 Education and Skills Funding Agency/Department for Education.

### 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.

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 19, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. 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.

### 3 Donations and capital grants

	Unrestricted funds	Restricted funds	Total 2017	Total 2016 1 month
	£	£	£	£
Capital grants	-	546,869	546,869	45,654

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

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

	Unrestricted funds	Restricted funds	Total 2017	Total 2016 1 month
	£	£	£	£
<b>DfE / ESFA grants</b>				
General annual grant (GAG)	-	8,386,898	8,386,898	693,956
Start up grants	-	-	-	152,000
Other DfE / ESFA grants	-	399,986	399,986	30,171
	-	8,786,884	8,786,884	876,127
<b>Other government grants</b>				
Local authority grants	-	280,953	280,953	26,293
<b>Other funds</b>				
Teaching Schools income	-	76,000	76,000	-
Catering income	434,485	-	434,485	-
	434,485	76,000	510,485	-
<b>Total funding</b>	<b>434,485</b>	<b>9,143,837</b>	<b>9,578,322</b>	<b>902,420</b>

### 5 Other trading activities

	Unrestricted funds	Restricted funds	Total 2017	Total 2016 1 month
	£	£	£	£
Lettings income	28,832	-	28,832	1,594
Catering income	3,300	-	3,300	-
Music tuition	80,060	-	80,060	-
School trips	129,468	-	129,468	-
Other income	219,447	-	219,447	-
	461,107	-	461,107	1,594

### 6 Investment income

	Unrestricted funds	Restricted funds	Total 2017	Total 2016 1 month
	£	£	£	£
Short term deposits	963	-	963	16

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

### 7 Expenditure

	Staff costs	Premises & equipment	Other costs	Total 2017	Total 2016 1 month
	£	£	£	£	£
Expenditure on raising funds	-	-	483,445	483,445	-
Academy's educational operations					
- Direct costs	6,867,253	-	646,720	7,513,973	565,827
- Allocated support costs	1,435,598	910,574	352,936	2,699,108	253,998
	<u>8,302,851</u>	<u>910,574</u>	<u>1,483,101</u>	<u>10,696,526</u>	<u>819,825</u>

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

	2017	2016 1 month
	£	£
Fees payable to auditor for:		
- Audit	11,000	8,950
- Other services	4,900	1,450
Operating lease rentals	13,227	-
Depreciation of tangible fixed assets	429,300	35,382
Amortisation of intangible fixed assets	538	-
Net interest on defined benefit pension liability	37,000	2,000

### Central services

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

Include list of services, such as:

- human resources;
- financial services;
- legal services;
- educational support services; or
- others as arising.

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

- 4.5% of GAG income

The amounts charged during the year were as follows:

	Total £
Egglescliffe School	73,443
The Links Primary School	15,061
Junction Farm Primary School	12,627
	<u>101,131</u>

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

### 8 Charitable activities

	Unrestricted funds	Restricted funds	Total 2017	Total 2016 1 month
	£	£	£	£
Direct costs - educational operations	152,371	7,361,602	7,513,973	565,827
Support costs - educational operations	236,589	2,462,519	2,699,108	253,998
	<u>388,960</u>	<u>9,824,121</u>	<u>10,213,081</u>	<u>819,825</u>

	2017 £	2016 1 month £
<b>Analysis of support costs</b>		
Support staff costs	1,435,598	96,719
Depreciation and amortisation	429,838	35,382
Technology costs	19,614	-
Premises costs	424,831	22,505
Other support costs	278,655	8,148
Governance costs	110,572	91,244
	<u>2,699,108</u>	<u>253,998</u>

### 9 Staff costs

	2017 £	2016 1 month £
Wages and salaries	6,219,066	488,890
Social security costs	587,577	42,935
Operating costs of defined benefit pension schemes	1,332,607	97,054
Apprenticeship levy	6,753	-
Staff costs	<u>8,146,003</u>	<u>628,879</u>
Supply staff costs	90,931	-
Staff restructuring costs	6,798	14,527
Staff development and other staff costs	59,119	162
Total staff expenditure	<u>8,302,851</u>	<u>643,568</u>

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

### 9 Staff costs

(Continued)

#### Staff numbers

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

	2017 Number	2016 Number
Teachers	177	158
Administration and support	91	118
Management	4	4
	<u>272</u>	<u>280</u>

#### Higher paid staff

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

	2017 Number	2016 Number
£60,001 - £70,000	1	-
£70,001 - £80,000	2	-
£100,001 - £110,000	1	-
	<u>4</u>	<u>0</u>

#### Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer national insurance and pension contributions) received by key management personnel for their services to the academy trust was £369,509 (2016: £44,236).

The comparative figures cover a one month period.

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2017

#### 10 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:

Simon White (Headteacher)

Remuneration £105,001 - £110,000 (2016: £5,001 - £10,000)

Employer pension contributions £15,001 - £20,000 (2016: £1 - £5,000)

Karen Norton (Headteacher)

Remuneration £75,001 - £80,000 (2016: £5,001 - £10,000)

Employer pension contributions £10,001 - £15,000 (2016: £1 - £5,000)

Louise Daly (Headteacher)

Remuneration £55,001 - £60,000 (2016: £1 - £5,000)

Employer pension contributions £5,001 - £10,000 (2016: £1 - £5,000)

The comparative figures cover a one month period.

#### 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 Intangible fixed assets

	Computer licences £
<b>Cost</b>	
At 1 September 2016 and at 31 August 2017	2,688
<b>Amortisation</b>	
At 1 September 2016	64
Charge for year	538
At 31 August 2017	602
<b>Net book value</b>	
At 31 August 2017	2,086
At 31 August 2016	2,624

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

### 13 Tangible fixed assets

	Leasehold land and buildings £	Computer equipment £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 September 2016	21,900,000	97,433	81,759	24,500	22,103,692
Additions	-	16,891	31,756	-	48,647
At 31 August 2017	21,900,000	114,324	113,515	24,500	22,152,339
<b>Depreciation</b>					
At 1 September 2016	31,075	2,030	1,703	510	35,318
Charge for the year	372,900	27,440	22,834	6,125	429,299
At 31 August 2017	403,975	29,470	24,537	6,635	464,617
<b>Net book value</b>					
At 31 August 2017	21,496,025	84,854	88,978	17,865	21,687,722
At 31 August 2016	21,868,925	95,403	80,056	23,990	22,068,374

### 14 Debtors

	2017 £	2016 1 month £
Trade debtors	1,271	-
VAT recoverable	34,967	7,835
Other debtors	219	2,240
Prepayments and accrued income	240,501	344,834
	276,958	354,909

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

	2017 £	2016 1 month £
Trade creditors	62,340	73,643
Other taxation and social security	149,853	-
Other creditors	145,200	1,007
Accruals and deferred income	240,651	77,158
	598,044	151,808



# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

16	Deferred income	2017 £	2016 1 month £
	Deferred income is included within:		
	Creditors due within one year	151,293	54,139
	Deferred income at 1 September 2016	54,139	-
	Released from previous years	(54,139)	-
	Amounts deferred in the year	151,293	54,139
	<b>Deferred income at 31 August 2017</b>	<b>151,293</b>	<b>54,139</b>

Deferred income includes rates relief, school meals income, Duke of Edinburgh income, infant school meals funding and trip income received in advance of the following academic year.

17	Funds	Balance at 1 September 2016 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2017 £
	<b>Restricted general funds</b>					
	General Annual Grant	47,613	8,386,898	(8,323,529)	32,914	143,896
	Start up grants	59,827	-	(59,827)	-	-
	Other DfE / ESFA grants	19,771	399,986	(225,364)	-	194,393
	Other government grants	11,766	280,953	(292,719)	-	-
	Other restricted funds	68,641	76,000	(108,844)	(1,546)	34,251
	Funds excluding pensions	207,618	9,143,837	(9,010,283)	31,368	372,540
	Pension reserve	(1,958,000)	-	(384,000)	1,151,000	(1,191,000)
		<u>(1,750,382)</u>	<u>9,143,837</u>	<u>(9,394,283)</u>	<u>1,182,368</u>	<u>(818,460)</u>
	<b>Restricted fixed asset funds</b>					
	Transferred on conversion	22,070,998	-	(5,477)	-	22,065,521
	DfE / ESFA capital grants	45,654	546,869	(424,361)	(32,914)	135,248
		<u>22,116,652</u>	<u>546,869</u>	<u>(429,838)</u>	<u>(32,914)</u>	<u>22,200,769</u>
	<b>Total restricted funds</b>	<u>20,366,270</u>	<u>9,690,706</u>	<u>(9,824,121)</u>	<u>1,149,454</u>	<u>21,382,309</u>
	<b>Unrestricted funds</b>					
	General funds	<u>361,858</u>	<u>896,555</u>	<u>(872,405)</u>	<u>1,546</u>	<u>387,554</u>
	<b>Total funds</b>	<u>20,728,128</u>	<u>10,587,261</u>	<u>(10,696,526)</u>	<u>1,151,000</u>	<u>21,769,863</u>

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2017**

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### 17 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 subject to a limit on the amount of GAG that it could carry forward at 31 August 2017.

Start up grants included grants provided to establish the academy trust by the ESFA.

Other DfE/ESFA grants include pupil premium, sponsor capacity grant, PE grant, universal free school meals income, year 7 catch up and the audit grant received.

Other government grants include income for pupils with special educational needs and early years funding received from the local authority.

DfE/ESFA Capital Grants consist of the devolved capital grant and capital improvement fund which has been partly spent on non capitalised items and asset additions in the year with the remainder carried forward for future use.

Other restricted funds include Teaching School funds.

The Inherited Fixed Asset Fund reflects the fixed assets acquired from Stockton Borough Council on conversion. Depreciation on these assets is charged against this fund.

At 31 August 2017 the academy had restricted general and unrestricted funds of £760,094.

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

### 17 Funds

(Continued)

#### Movements in funds - previous year

	Balance at 24 June 2016 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2016 £
<b>Restricted general funds</b>					
General Annual Grant	-	693,956	(646,343)	-	47,613
Start up grants	-	152,000	(92,173)	-	59,827
Other DfE / ESFA grants	-	30,171	(10,400)	-	19,771
Other government grants	-	26,293	(14,527)	-	11,766
Other restricted funds	-	68,641	-	-	68,641
	-	971,061	(763,443)	-	207,618
Funds excluding pensions	-	(1,373,000)	(21,000)	(564,000)	(1,958,000)
Pension reserve	-	(401,939)	(784,443)	(564,000)	(1,750,382)
<b>Restricted fixed asset funds</b>					
Transferred on conversion	-	22,106,380	(35,382)	-	22,070,998
DfE / ESFA capital grants	-	45,654	-	-	45,654
	-	22,152,034	(35,382)	-	22,116,652
<b>Total restricted funds</b>	-	21,750,095	(819,825)	(564,000)	20,366,270
<b>Unrestricted funds</b>					
General funds	-	361,858	-	-	361,858
<b>Total funds</b>	-	22,111,953	(819,825)	(564,000)	20,728,128

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

### 17 Funds

(Continued)

#### Total funds analysis by academy

	Total £
Fund balances at 31 August 2017 were allocated as follows:	
Egglescliffe School	257,497
The Links Primary School	157,683
Junction Farm Primary School	103,866
Central services	241,048
	<hr/>
Total before fixed assets fund and pension reserve	760,094
Restricted fixed asset fund	22,200,769
Pension reserve	(1,191,000)
	<hr/>
Total funds	21,769,863
	<hr/> <hr/>

#### Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total £
Egglescliffe School	5,164,378	821,383	412,605	851,254	7,249,620
The Links Primary School	623,519	96,173	54,626	147,778	922,096
Junction Farm Primary School	1,030,483	131,070	81,185	165,806	1,408,544
Central services	48,873	39,972	384	213,199	302,428
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	6,867,253	1,088,598	548,800	1,378,037	9,882,688
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

### 17 Funds

(Continued)

#### Funds analysis by academy - previous year

	<b>Total 2016 £</b>
Fund balances at 31 August 2016 were allocated as follows:	
Egglescliffe School	387,624
The Links Primary School	67,687
Junction Farm Primary School	100,158
Central services	14,007
	<hr/>
Total before fixed assets fund and pension reserve	569,476
Restricted fixed asset fund	22,116,652
Pension reserve	(1,958,000)
	<hr/>
Total funds	20,728,128
	<hr/> <hr/>

#### Total cost analysis by academy - previous year

Expenditure incurred by each academy during the previous year was as follows:

	<b>Teaching and educational support staff costs £</b>	<b>Other support staff costs £</b>	<b>Educational supplies £</b>	<b>Other costs excluding depreciation £</b>	<b>Total 2016 £</b>
Egglescliffe School	449,363	59,030	15,131	55,948	579,472
The Links Primary School	46,597	8,020	452	50,360	105,429
Junction Farm Primary School	69,889	10,669	543	4,988	86,089
Central services	-	-	-	13,453	13,453
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	565,849	77,719	16,126	124,749	784,443
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

### 18 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2017 £
<b>Fund balances at 31 August 2017 are represented by:</b>				
Intangible fixed assets	-	-	2,086	2,086
Tangible fixed assets	-	-	21,687,722	21,687,722
Current assets	442,456	915,682	510,961	1,869,099
Creditors falling due within one year	(54,902)	(543,142)	-	(598,044)
Defined benefit pension liability	-	(1,191,000)	-	(1,191,000)
	<u>387,554</u>	<u>(818,460)</u>	<u>22,200,769</u>	<u>21,769,863</u>
	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2016 £
<b>Fund balances at 31 August 2016 are represented by:</b>				
Intangible fixed assets	-	-	2,624	2,624
Tangible fixed assets	-	-	22,068,374	22,068,374
Current assets	375,043	346,241	45,654	766,938
Creditors falling due within one year	(13,185)	(138,623)	-	(151,808)
Defined benefit pension liability	-	(1,958,000)	-	(1,958,000)
	<u>361,858</u>	<u>(1,750,382)</u>	<u>22,116,652</u>	<u>20,728,128</u>

### 19 Pensions 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 Middlesbrough Borough Council. 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 2012, and that of the LGPS related to the period ended 31 March 2016.

Contributions amounting to £127,132 (2016: £nil) were payable to the schemes at 31 August 2017 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' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2017**

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### 19 Pensions and similar obligations

(Continued)

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers 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. 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 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014.

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% 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 £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to the TPS in the period amounted to £777,271 (2016: £62,356).

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 a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The 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 14.6% for employers and 5.5 - 12.5% for employees. The estimated value of future employer contributions is £225,000.

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.

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

### 19 Pensions and similar obligations

(Continued)

Total contributions made	2017	2016
	£	1 month £
Employer's contributions	205,000	16,000
Employees' contributions	82,000	6,000
Total contributions	287,000	22,000

Principal actuarial assumptions	2017	2016
	%	%
Rate of increases in salaries	3.1	3.5
Rate of increase for pensions in payment	2.1	2.0
Discount rate	2.5	2.0
Inflation assumption (CPI)	2.1	2.0

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

	2017	2016
	Years	Years
Retiring today		
- Males	22.8	23.1
- Females	24.9	25.3
Retiring in 20 years		
- Males	25.0	25.6
- Females	27.2	28.0

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

	2017	2016
	£	£
Discount rate + 0.1%	4,244,000	4,298,000
Discount rate - 0.1%	4,422,000	4,478,000
Mortality assumption + 1 year	4,201,000	4,248,000
Mortality assumption - 1 year	4,464,000	4,528,000
CPI rate + 0.1%	4,386,000	4,442,000
CPI rate - 0.1%	4,278,000	4,332,000



# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

### 19 Pensions and similar obligations

(Continued)

The academy trust's share of the assets in the scheme	2017	2016
	Fair value	1 month
	£	Fair value
		£
Equities	2,484,531	2,071,937
Government bonds	-	19,432
Corporate bonds	3,141	19,432
Cash	402,048	140,882
Property	201,024	177,317
Other assets	50,256	-
Total market value of assets	3,141,000	2,429,000
Actual return on scheme assets - gain/(loss)	461,000	38,000
Amounts recognised in the statement of financial activities	2017	2016
	£	1 month
		£
Current service cost	552,000	35,000
Interest income	(51,000)	(5,000)
Interest cost	88,000	7,000
Total operating charge	589,000	37,000
Changes in the present value of defined benefit obligations	2017	2016
	£	1 month
		£
Obligations at 1 September 2016	4,387,000	-
Obligations acquired on conversion	-	3,743,000
Current service cost	552,000	35,000
Interest cost	88,000	7,000
Employee contributions	82,000	6,000
Actuarial (gain)/loss	(741,000)	597,000
Benefits paid	(36,000)	(1,000)
At 31 August 2017	4,332,000	4,387,000

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

### 19 Pensions and similar obligations

(Continued)

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

	2017	2016
	£	1 month £
Assets at 1 September 2016	2,429,000	-
Assets acquired on conversion	-	2,370,000
Interest income	51,000	5,000
Actuarial gain	410,000	33,000
Employer contributions	205,000	16,000
Employee contributions	82,000	6,000
Benefits paid	(36,000)	(1,000)
At 31 August 2017	3,141,000	2,429,000

### 20 Reconciliation of net income/(expenditure) to net cash flows from operating activities

	2017	2016
	£	1 month £
Net (expenditure)/income for the reporting period	(109,266)	21,292,128
Adjusted for:		
Net surplus on conversion to academy	-	(21,162,269)
Capital grants from DfE/ESFA and other capital income	(546,869)	(45,654)
Investment income receivable	(963)	(16)
Defined benefit pension costs less contributions payable	347,000	19,000
Defined benefit pension net finance cost	37,000	2,000
Depreciation of tangible fixed assets	429,300	35,382
Amortisation of intangible fixed assets	538	-
Decrease/(increase) in debtors	77,951	(354,909)
Increase in creditors	446,236	151,808
Net cash provided by operating activities	680,927	(62,530)

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

### 21 Commitments under operating leases

At 31 August 2017 the total future minimum lease payments under non-cancellable operating leases were as follows:

	2017 £	2016 £
Amounts due within one year	14,032	14,250
Amounts due in two and five years	26,835	29,973
	<u>40,867</u>	<u>44,223</u>

### 22 Capital commitments

	2017 £	2016 £
Expenditure contracted for but not provided in the accounts	<u>487,000</u>	<u>18,720</u>

### 23 Related party transactions

Owing to the nature of the academy trust's operations 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 academy trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account.

Billingham Press - a company in which S Stokes (a trustee of the trust) has a majority interest:

- The trust purchased printing services from Billingham Press totalling £474 (2016: £nil) during the period. There were no amounts outstanding at 31 August 2017 (2016: £nil).
- The trust made the purchase at arms' length following a competitive tendering exercise in accordance with its financial regulations, which S Stokes neither participated in, nor influenced
- In entering into the transaction the trust has complied with the requirements of the Academies Financial Handbook 2016.

K Norton's (trustee) daughter is employed by the academy trust as a Teacher. J Norton works at Junction Farm School. K Norton has had no involvement in any aspect of her terms, conditions or remuneration, which have been determined in line with the national agreements on leadership pay scales.

### 24 Post balance sheet events

On 1 September 2017 an existing academy, Chandlers Ridge based in Nunthorpe joined the trust. Whinstone Primary School based in Ingleby Barwick converted to an academy and joined the trust on 1 November 2017.

# **VISION ACADEMY LEARNING TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2017***

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### **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 as stated in memorandum and articles of association 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 2017 the trust brought forward £nil from previous years, received £20,734 and disbursed £7,369 from the fund. An amount of £13,365 is included in other creditors relating to undistributed funds that is repayable to ESFA.