



REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

Tyne Coast Academy Trust

A Multi Academy Trust sponsored by a large general Further Education College with a world-wide reputation.



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COMPANIES HOUSE

Tyne Coast Academy Trust

**Company Registration Number:
08313162 (England and Wales)**

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Tyne Coast Academy Trust

Reference and Administrative Details

MEMBERS
Mr Andrew Watts (until 31 July 2022)
Mrs Helen Watson
Tyne Coast College
Clive Johnson (from 1 August 2022)
Mr Mark Overton
Mr Colin Seccombe

TRUSTEES	COMMITTEES (2021/22)
George Clark	Finance and Staffing
Philip Curtis Resigned 10 October 2021	Local Governing Body for Redby Primary Academy.
Malcolm Grady	Curriculum and Standards/ Quality of Education
Bashir Malik End of office 18 Dec 2021	Governance
Christine S Smith Resigned 22 November 2021	Curriculum and Standards/ Quality of Education Governance Local Governing Body for Ridgeway Primary Academy
Gordon Smith Resigned 31 August 2022	Finance and Staffing Local Governing Body for Walker Riverside Academy
Ray Staward Resigned 15 th December 2022	Finance and Staffing Governance Local Governing Body for Ridgeway Primary Academy
Leslie Watson (chairperson)	Local Governing Body for Monkwearmouth Academy Finance and Staffing Governance
Andrew R Watts	Curriculum and Standards/ Quality of Education

Michael Whitaker	Local Governing Body for North East Futures UTC Academy Curriculum and Standards/ Quality of Education
Robert J Whitelaw End of office 28 November 2022	Finance and Staffing Governance Local Governing Body for Walker Riverside Academy Local Governing Body for Monkwearmouth Academy
Lindsey J Whiterod (Chief Executive and Accounting Officer)	Curriculum and Standards/ Quality of Education Finance and Staffing
Margaret Savage Appointed 12 April 2022	Curriculum and Standards/ Quality of Education Finance and Staffing
Angus Kidd	N/A

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Appointed 15 July 2022	
Sarah Monk Appointed 15 July 2022	N/A
Karen Marshall 15 July 2022	N/A

COMPANY SECRETARY	Neil Longstaff
SENIOR MANAGEMENT TEAM <ul style="list-style-type: none"> • Chief Executive • Deputy Chief Executive • Chief Operating Officer • Executive Director of Human Resources • Head of HR and Business Operations 	L Whiterod M Collier J Cuthbertson C Donnelly M Dobrianski

REGISTERED OFFICE	St George's Avenue South Shields NE34 6ET
COMPANY REGISTRATION NUMBER	08313162 (England & Wales)
INDEPENDENT AUDITOR	Mazars The Corner Bank Chambers 26 Mosley Street Newcastle upon Tyne NE1 1DF
BANKER	Barclays Percy Street Newcastle upon Tyne
SOLICITOR	Muckle LLP Time Central 32 Gallowgate Newcastle Upon Tyne NE1 4BF Newcastle upon Tyne

TRUSTEES' REPORT

The trustees present their annual report together with the financial statements and auditor's reports of the charitable company for the year ended 31 August 2022. The annual report serves the purposes of both a trustee's report and a directors' report under company law.

In February 2013 Ridgeway Primary Academy joined the Trust as the Trust's first Academy. It has a pupil capacity of 420 (excludes nursery) and 400 pupils were on roll at the end of the academic year. In March 2018 Walker Riverside Academy (formerly Walker Technical College) joined the trust as its first secondary academy. It has a pupil capacity of 1250 and 1213 pupils were on roll at the end of the academic year. In September 2018 North East Futures UTC Academy joined the trust; it has a pupil capacity of 600 and 218 pupils were on roll at the end of the academic year.

On 1 September 2019 Monkwearmouth Academy joined the trust along with Redby Primary Academy who both transferred from the now closed Wearmouth Learning Trust. Monkwearmouth Academy has a pupil capacity of 1516 and 883 pupils were on roll at the end of the academic year. Redby Primary Academy has a pupil capacity of 420 (excludes nursery) and 300 were on roll at the end of the academic year.

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 Tyne Coast Academy Trust (a company limited by guarantee) are also the directors of the charitable company for the purposes of company law. The charitable company operates as Ridgeway Primary Academy, Walker Riverside Academy, North East Futures UTC, Monkwearmouth Academy and Redby Primary Academy.

Details of the trustees who served during the year are included in the Reference and Administrative Details on page 3.

Members' Liability

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

Trustees' Indemnities

The Academies Trust is part of the national Risk Protection Arrangements (RPA) which includes cover for members and directors.

Method of Recruitment and Appointment or Election of Trustees

The Articles adopted on 1 May 2020, detail the current arrangements for the appointment of Trustees, they are as follows:

- up to 8 Trustees, appointed by Members by ordinary resolution
- the Chief Executive Officer
- a minimum of 2 Parent Trustees in the event that no Local Governing Bodies are established and
- up to 2 Trustees appointed by the Sponsor body.

The Academy Trust may also appoint Co-opted Trustees, which include:

- a representative from each of the following areas: Primary, Secondary and University Technical Colleges (nominated by the Local Governing Bodies)

All Trustees are appointed in accordance with the Articles of Association.

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction for new trustees depends on their existing experience. Where necessary induction and training is provided on charity, educational, legal and financial matters. All trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as trustees.

Organisational Structure

The Trustees are responsible for setting general policy, adopting an annual development plan and budget monitoring the Academy Trust using budgets and making major decisions about the strategic direction of the Academy Trust, capital expenditure and senior staff appointments.

The Board have established a number of committees, including Finance & Staffing (incorporating Audit), Quality of Education (previously known as Curriculum and Standards), Governance and Disciplinary all with agreed terms of reference. The Board also has a Local Governing Body (LGB) for each of its academies. A Scheme of Delegation has also been agreed setting out the matters reserved for the Trust Board, those delegated to Committees, Local Governing Bodies and the Head Teachers.

A Management team is established at each Academy to undertake the day-to-day management of the Academy and is accountable to the CEO and Trust Board. The CEO of the Trust is also the Chief Executive of the Sponsor.

Arrangements for setting Pay and Remuneration of Key Management Personnel

The Board of Trustees have agreed Teacher Pay and Teacher Appraisal Policies, and established a Performance Review process which covers the following tasks

- the annual performance review of the Head Teacher(s)/Principal(s), including agreeing specific performance objectives and monitoring progress towards them and their achievement, in accordance with legal and regulatory requirements
- advise the Finance and Staffing Committee of recommendations in relation to salary review so that they may be formally considered and, if appropriate, actioned in a timely manner.

Trustees do not receive a salary. The Deputy Chief Executive, finance personnel, the HR and Business Operations Manager and a proportion of the salary of the CEO, Chief

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Operating Officer, Executive Director of Human Resources and the Company Secretary are paid from the central management service budget.

Trade Union Facility Time

The Trade Union (Facility Time Publication Requirements) Regulations 2017 require the Trust to publish information on facility time arrangements for trade union officials at the Trust.

Relevant union officials

Number of employees who were relevant unions officials during the relevant period (Head Count)	Full-time equivalent employee number
2	0.60

Percentage of Time Spent on facility time

% of working hours spent on facility time	Number of employees	Total paid facility time hours	Total paid Trade Union activity hours
0%	0	0	0
1-50%	2	759	0
51-99%	0	0	0
100%	0	0	0

Percentage of pay bill spent on facility time

Total cost of facility time	£34,968
Total pay bill	£15,364,939
Percentage of pay spent on facility time	Less than 1%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time	60%
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Related Parties and other Connected Charities and Organisations

Tyne Coast College is the sponsor of the Academy Trust. During the period of review, the College has provided IT management and advice to one academy (Ridgeway Primary Academy), as well as financial processing and management, procurement, estates management, Human Resources operations and management as well as strategic management support.

Engagement with Employees including Disabled Employees

The Trust has an equal opportunities policy which covers the unfair treatment of any service user, employee or prospective employee on grounds of disability. The policy is available to all employees.

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The trust recognises equal opportunities as an integral part of the best practice it operates within its workplaces. Tyne Coast Academy Trust has established equal opportunity in all areas of its activities including creating an environment in which the contribution needs of all are valued.

The Trust recognises the importance of internal communication and issues regular updates to Head Teachers which are then cascaded to the employees within each Academy.

Engagement with suppliers, customers and others in a business relationship with the Trust

The Trust comprises 5 individual Academies who are responsible for the majority of their purchases under the financial regulations. The Trust has a central procurement function which is a shared service with Tyne Coast College. The College assist with contract consolidation and tendering exercises. The Trust have a payments team who manage supplier queries and are responsible for making timely payments.

The customers of the Trust engage with the respective Academy Schools within the Trust through the provision of services.

OBJECTIVES AND ACTIVITIES

Objectives and Aims

The principal objective and activity is the operation of academies in the North East of England.

Objectives, Strategies and Activities

The Academy Trust's objective is to advance for the public benefit, education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools (the Academies) offering a broad and balanced curriculum.

To promote for the benefit of local inhabitants in the vicinity of any Academy the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and the object of improving conditions of the life of the said inhabitants.

The activities carried out to achieve these objectives are all intended to provide the highest quality of education in the public sector. The trust recognises the needs of all its pupils and students and its decision making is driven entirely by what is best for children. The table below shows headline data for pupils and students for Autumn 2022.

Academy	NOR Autumn 2022	Girls %	Boys %	Pupil Premium %	EAL%	SEN Support %	SEN EHC%
Monkwearmouth Academy	881	45.5	54.5	28.5	2	13.8	0.8
North East Futures UTC	321	47.3	52.7	29	7.7	24.3	0.9
Walker Riverside Academy	1161	48.9	51.1	61	17	19.9	1.9
Redby Primary Academy	305	46.7	53.3	18.8	2.9	7	0.6
Ridgeway Primary Academy	439	45.4	54.6	55	6.1	24.3	2.2

Public Benefit Reporting

The Trustees confirm that they have referred to the guidance contained in the Charity Commissions general guidance on public benefit when reviewing the charitable company's objectives and aims and in planning future activities for the year. The Trustees consider that the charitable company's aims are demonstrably to the public benefit.

In setting our objectives and planning our activities the trustees have carefully considered the Charity Commission's general guidance on public benefit.

Strategic Report

Achievements and Performance

Ridgeway Primary Academy

Ridgeway Academy was graded as Good by Ofsted in September 2021. This represents a significant achievement with a challenging cohort following a pandemic. This cohort has become more diverse Post Pandemic with more work for leaders in diagnosis of SEND and referrals to Children's Social Care. Despite the challenges, the school provides a rich experience for the learners and has excellent resources on site to help build cultural and social capital amongst the learners.

The school has made Reading its key priority and has successfully implemented the new Phonics scheme across the whole school with support from New Seaham Academy. Ridgeway are also supporting Redby in the first round of external school improvement visits provided by the Trusts new school improvement partner.

KS2 2022 outcomes at Ridgeway were better in some areas most notably in Reading than in 2019 which is very pleasing and although lower than the 2019 national average they represent real growth and development. These are attainment figures and do not represent the progress students may have made as that data is not yet available.

Redby Primary Academy

Redby Academy is currently scheduled for an 'ungraded' inspection. This means the presumption from Ofsted on arrival is that the school remains Good from June 2017 when it was last inspected. School leaders evaluate the school as Good and Trustees agree with this judgement. Redby has been prioritised by the Trust for external school improvement support to ensure the internal view that the school remains Good is accurate. TCAT's new school improvement partner will be carrying out Deep Dives in Reading and Science. There are many strengths in the school not least the experienced Headteacher and Deputy Headteacher.

The Local Board has a strong Chair and strong link Governors, especially in Safeguarding. The curriculum is well planned, and well led though there are some capacity issues in the leadership of Foundation subjects due to maternity absences. Leaders are working hard to ensure this does not impact on curriculum delivery and they work with Ridgeway Primary Academy on sharing resources most notably in standardising teacher assessments at KS2 and implementation of the new Phonics Scheme. Redby has benefitted from upgraded ICT facilities provided by the Trust and also new estates upgrades from Condition Improvement Funding. 15 new Smart Boards have been provided to enhance Learning and Teaching from pooled Devolved Formula Capital funding. A new Boiler and BMS system has been procured which is being funded by a Condition Improvement Fund successful bid.

Outcomes for 2022 reflect the impact of the pandemic and also outlier children in a small cohort. A full analysis of results is still being undertaken as some student papers have been sent for re-marks.

Walker Riverside Academy

Walker Riverside Academy was graded as Requires Improvement in June 2022. There was a gap in the curriculum noted by Ofsted which has been addressed and Music is now a discrete subject in Key Stage 3. A new Head of Music had been appointed before the Ofsted Inspection, but this was seen as insufficient evidence that Leaders were planning sufficiently to address the singular, temporary gap in the curriculum. Attainment in GCSE outcomes was, however, low

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and the impact of the Pandemic can be clearly seen when mapped to stubbornly low attendance from a large number of learners.

The Football Academy is now a shared TCAT resource. There also continues to be a great sharing of resources with UTC. The Trust Sponsor is also currently supporting Walker Riverside Academy by hosting 10 learners at Youth College enabling their attendance and engagement to improve. These learners engaged in a successful month long trial period in Summer 2022

The 12 place Communication and Interaction ARP has also now opened fully and has 7 learners with Education Health Care Plan accessing a full curriculum. The commissioning and consultation with the Regional Schools Commissioner took place in summer 2022 as a successful Major Change Variation.

The Academy was also chosen by Newcastle City Council to engage in an innovative transition project securing up to £250k over 3 years. The Inclusive Schools Inclusive Education Project (ISIEP) was commissioned in the Summer of 2022 and will run to Summer 2025.

Monkwearmouth Academy

The Trust has done much to support the improvement of the fabric of the building but more remains to be done via the next Condition Improvement Fund (CIF) bidding round. CIF D Block Asbestos removal is now complete. CIF E Block Asbestos removal is underway. Repairs to the Sports Hall Roof are also scheduled for December 2022. Improvements to the environment and raised expectations in behaviour in unstructured time are noticeable. External reports validate the improvements in behaviour. It is also noticeable how much the new uniform has improved the appearance and presentation of the students.

Results in 2022 were, on average a half grade better across 8 subjects than in 2019 which was pleasing. The school is approaching the end of the One Vision support programme.

Recent external advice from qualified Ofsted inspectors and from One Vision support partners recognise that the school is well on the journey towards a verdict of Good in the next inspection. Leaders grade the school as Good and Trustees agree with this verdict.

North East Futures UTC

NEFUTC has recruited its largest ever cohort into Year 10. The school has a Pupil Allocation Number (PAN) of 120 in each year group and has recruited 150 at the time of writing into Year 10. This is vital for the future sustainability of the school and ensures that by 2024/25 there is a larger potential cohort for retention into Year 12

Attainment was low overall compared to National Average. UTC does not fall under the Progress measure nationally as it is not required to cover the full suite of progress 8 subjects.

The school has many challenges ahead. There is currently a need to improve attendance across the whole cohort as, even though in the majority of cases individual student attendances is better than they were in former schools, they are still low overall compared to national averages. A new attendance officer has been appointed and is currently on a 12-month contract for maternity cover.

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Ofsted

The current Ofsted status of the Trust schools are set out in the Table below.

Academy	Join Date	Ofsted Grade at Join Date	Current Ofsted Grade
Ridgeway Primary Academy	September 2012	Inadequate 2012	Good September 2021
Walker Riverside Academy	March 2018	Good September 2017	Requires Improvement June 2022
North East Futures UTC	September 2018	Not previously inspected	Not yet inspected
Monkwearmouth Academy	September 2019	Inadequate February 2019	Not yet inspected (Fresh Start school)
Redby Primary Academy	September 2019	Good June 2017	Good June 2017

Key Performance Indicators

The tables below shows the % of students achieving the key performance measures for Trust Secondary from published data.

English and Maths GCSE 5+	2019	2020	2021	2022	FFT Provisional 2022 National
Monkwearmouth Academy	31%			35.5%	52%
North East Futures UTC	n/a			16%	
Walker Riverside Academy	24%			26%	

English and Maths GCSE 4+	2019	2020	2021	2022	
Monkwearmouth Academy	55%			64.5%	71%
North East Futures UTC	n/a			40%	
Walker Riverside Academy	51%			47%	

The results in part reflect the significant impact of the Pandemic, most notably at Walker Riverside Academy which serves an area of extreme deprivation (top quintile nationally). It is pleasing to note the improvements in both standard and strong basics at Monkwearmouth. Monkwearmouth also improved their overall Attainment Score across 8 subjects by one full half grade. For Northeast Futures, this represents the first official data set since it opened in September 2018 inheriting a legacy cohort at that time into Year 11 from a closing school.

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The tables below show the impact of the Pandemic on outcomes at KS2. Whilst nationally there was a modest improvement in expected progress in reading post pandemic, results were lower in both writing and maths. The TCAT schools also reflect the downward shifts in writing and maths but whilst reading was lower at Redby than in 2019, at Ridgeway it was pleasing to see the significant improvement against a backdrop of extreme deprivation.

National contextual shift

- 74% of pupils met the expected standard in reading, up from 73% in 2019.
- 71% of pupils met the expected standard in maths, down from 79% in 2019
- 69% of pupils met the expected standard in writing, down from 78% in 2019

Redby Academy

	2019 Expected progress	2022 Expected progress
Reading	81%	69%
Writing	92%	81%
Maths	80%	69%
RWM combined	71%	54%

Ridgeway Academy

	2019 Expected progress	2022 Expected progress
Reading	44%	59%
Writing	74%	69%
Maths	59%	50%
RWM combined	35%	43%

Trust Overall % Absence

Attendance remains a Trust priority especially so since the impact of the pandemic can be clearly seen in the absence figures shown across 2018/19 and 2021/22. Walker and Ridgeway were hit the hardest, reflecting their deprived catchments where significant illness and disengagement prevailed. North East Futures attendance should always be seen in the context of the previous attendance of students in the school as in almost all cases, although attendance is low overall, it is better than it was in the students' predecessor school given this is a provision for direct entry into Y10.

The Trust has engaged with the DfE Attendance Ambassador scheme and has a robust action plan which is now showing signs of impact in improvements across all academies.

	2018/19	2021/22
Walker	7.9%	13.9%
Monkwearmouth	7.8%	10.2%
UTC	10.1%	16.1%
Ridgeway	4.9%	7.4%
Redby	3.9%	5.6%

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Going Concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Promoting the success of the company

Trustees have acted in accordance with section 172 (1) (a) to (f) of the Companies Act 2006 in order to promote the success of the charity to achieve its charitable objectives.

FINANCIAL REVIEW

Schools across the Trust participated in the national free school meals voucher scheme acting as a facilitator for the distribution of vouchers from the scheme provider to parents of eligible pupils. Schools did not incur any exceptional costs or receive any additional funding in respect of this.

The majority of the Academy's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants.

During the year there were 43 Year 9 Pupils transferred into Walker Riverside Academy from North East Futures UTC. This created a timing difference in terms of funding due as North East Futures is funded based on predicted numbers whereby Walker Riverside Academy is funded based on Lagged Funding. The financial results reflect that £295k of funding was not due in 2021-22 but expenditure was incurred against these students. The funding will be received in 2022-23 and will improve the financial position of the Trust.

During the year ended 31 August 2022, total expenditure of £24,042,000 (2021 £22,359,000) was covered by recurrent grant funding from the ESFA together with other incoming resources. There is a net expenditure for the year of £571,000 (2021 net expenditure £388,000), before transfers and actuarial gains / (losses).

All expenditure shown in the Statement of Financial Activities is in furtherance of the Academy Trust's objectives.

At 31 August 2022 the net book value of fixed assets was £25,106,000 (2021 £25,400,000).

The Academy Trust held a fund surplus at 31 August 2022 of £26,994,000 (2021 £18,355,000) comprising a surplus of £204,000 (2021 £480,000) of restricted general funds, a deficit relating to the pension reserve of £492,000 (2021 £8,454,000), a £929,000 (2021 £929,000) surplus of unrestricted funds and a £26,353,000 (2021 £25,400,000) surplus of restricted fund assets. The pension reserve deficit arises from an actuarial valuation and does not result in a liability that must be settled immediately

Reserves Policy

The Trustees review the reserve levels at least Annually. The current reserves policy requires the Trust to work towards holding one months' worth of annual budgeted salary expenditure. The Key Financial Performance Indicators show the total reserves position at the end of the year.

In 2021/22 Walker Riverside Academy made a surplus of £104,553 giving a net reserves position for the school of £765,986 for the financial year after taking account of the remaining deficit. The reserves position for the other schools as at 31st August 2022 are as follows: North East Futures UTC Academy (£275,535), Ridgeway Primary Academy £594,226, Monkwearmouth Academy £30,081 and Redby Academy £53,063.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employer' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit to the fund, not any direct impact on the free reserves of the Academy Trust.

Investment Policy

The Academy Trust currently holds all cash in its current account. The Academy has approved a Treasury Management Policy that will allow the Trust to put money onto deposit with several major high street banks. The main aim of the policy is capital security rather than the maximising of returns.

Principal Risks and Uncertainties

The Academy Trust is subject to several risks and uncertainties in common with other Academies that have been identified and reviewed by the Trustees. The Academy Trust has systems and procedures in place to identify and mitigate risks. The principal risks and uncertainties are discussed below but these should be read in conjunction with the Risk Management section of this report, and in the Governance Statement.

The key controls used by the Trust include:

- formal agendas for all committee and board activity
- terms of reference for the board and its committees
- comprehensive strategic planning, budgeting and management reporting
- clear lines for reporting
- formal written policies
- scheme of delegation and
- vetting procedures as required by law for the protection of the vulnerable.

Income

As the majority of the Academies funding comes from one main funder (ESFA), there is reliance on this funding remaining at a level sufficient to cover the financial requirements of the Trust and its Academies. Funding for schools and academies is under pressure and the Trust must ensure that it maximises learner numbers by continuing to improve the reputation of the academies to ensure the academies remain viable.

Cash Flow Risk

The Academy Trust currently considers it has sufficient cash reserves for normal day to day operations.

Pension Deficit

The financial statements report the share of the Local Government Pension Scheme deficit on the Academy's balance sheet in line with the requirements of FRS 102.

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Fundraising

The individual academies within the Trust carry out a limited amount of fundraising, mindful of the communities within which it operates. In the circumstances when fundraising is undertaken, systems and controls are in place to separate and protect funds.

Streamlined energy and carbon reporting

UK Greenhouse gas emissions and energy use data for the period	1 st September 2021 to 31 st August 2022	1 st September 2020 to 31 st August 2021
Energy consumption used to calculate emissions (Kwh)	5,816,148	6,021,415
Energy consumption break down (Kwh) <ul style="list-style-type: none"> Gas Electricity Transport Fuel 	4,271,429 1,517,639 27,080	3,963,834 2,042,747 14,834
Scope 1 emissions in metric tonnes CO2e <ul style="list-style-type: none"> Gas Consumption Owned transport – minibuses Total scope 1 	779.71 5.89 785.60	723.56 2.49 726.05
Scope 2 emissions in metric tonnes CO2e <ul style="list-style-type: none"> Purchased electricity 	293.48	395.03
Scope 3 emissions in metric tonnes CO2e <ul style="list-style-type: none"> Business travel in employee-owned vehicles 	1.70	1.65
Total gross emissions in metric tonnes CO2e	1,080.77	1,122.72
Intensity ratio <ul style="list-style-type: none"> Tonnes CO2e per pupil 	0.35	0.37
<p><u>Quantification and Reporting Methodology:-</u> We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2022 UK Government's Conversion Factors for Company Reporting.</p> <p><u>Intensity measurement</u> The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.</p> <p><u>Measures taken to improve energy efficiency</u> We have completed new Boiler Installations within Redby Academy and installed LED Lighting within Monkwearmouth Academy to increase energy efficiency of these buildings.</p>		

Plans for Future Periods

The Trust will strive to provide outstanding education and improve the levels of performance of its students in all academies. The Academy Trust is interested in growing and increasing the number of schools it manages.

Funds held as Custodian on behalf of others

There are no funds held as Custodian Trustee on behalf of others.

Auditor

Insofar as the trustees are aware:

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

The Trustees report incorporating a strategic report was approved by order of the board of trustees, as the company directors on 15 December 2022 and signed on its behalf by:

Leslie Watson
Leslie Watson (Dec 23, 2022 14:41 GMT)

L Watson

Chair of Trustees

23rd December 2022

GOVERNANCE STATEMENT

Scope of Responsibility

As trustees we acknowledge we have overall responsibility for ensuring that Tyne Coast Academy Trust which is sponsored by Tyne Coast College has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss. As trustees, we have reviewed and taken account of the guidance in the DfE's Governance Handbook and competency framework for governance.

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

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 7 times during the year. All meetings of the Trust and its committees have been hybrid meetings whereby attendance has been in person or via Microsoft TEAMS, which has generally worked well for all. Attendance during the year at meetings of the board of trustees is detailed below.

Trustee	Meetings attended (up to 31.08.22)	Out of a possible (up to 31.08.22)
L Watson (Chair)	7	7
M Grady	6	7
B Malik	1	1
C S Smith	0	1
G Smith	6	7
R Staward	7	7
A Watts	6	7
M Whitaker	7	7
R J Whitelaw (Vice-Chair)	7	7
L Whiterod (Chief Executive & Accounting Officer)	7	7
M Savage	2	2

The Board undertake a skills/knowledge and training needs analysis. This enables the Board to explore its skills and knowledge base, as part of an overall assessment of its effectiveness. The information obtained is used to organise committees, delegation of specific tasks, appointment and reappointment of Trustees and will help to identify future training and information needs.

In addition, the Board has implemented a Governance self-assessment strategy, which is based on questions published by the All-Party Parliamentary Group on Education and in line with the National Governors' Association governance framework.

Over the past year Trustees have undertaken an ongoing review of Governance Self-Assessment.

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Governance Self-assessment includes the following documents/procedures:

- i) Board Performance Review
- ii) Individual performance reviews
- iii) Performance reviews of Chairs
- iv) Procedures for appointments and reappointments to the Board
- v) Trustees/governors Code of Conduct
- vi) Role descriptor for Trustee

The self-assessment process commences during the autumn term each year and the Chair's performance review is carried out prior to the appointment of the Chair for the forthcoming year.

In addition to the above self-assessment, the Trust commissioned three external governance reviews focussing on Walker Riverside Academy, North East Futures UTC and the Trust.

Conflicts of interest

Trustees complete an annual declaration of their interests, which forms the Annual Register of Interests for the Trust. The Register is published on the Trust's website for information. In addition, Declaration of Interests is a standing item on the agenda of each meeting of the Board and its committees to ensure any potential conflicts are managed appropriately.

The Finance and Staffing Committee is a committee of the main board of trustees. Its purpose is to oversee the academy's financial affairs, including audit and report as appropriate to the Board. They regularly review the financial policies and procedures and monitor income and expenditure throughout the year. The committee also considers and recommends the acceptance/non acceptance of the academy budget before the start of each financial year. This committee was also responsible for dealing with staffing matters including the appointment and removal of senior staff at the academy.

Finance and Staffing Committee		
Trustee	Meetings attended (up to 31.08.22)	Out of a possible (up to 31.08.22)
L Whiterod (Chief Executive & Accounting Officer)*	5	5
G Smith	3	5
R Staward	5	5
R J Whitelaw	5	5
G Clark	3	5
M Savage	1	1

Governance Reviews

In addition to the governance self-assessment, the Trust commissioned three external governance reviews focussing on Walker Riverside Academy, North East Futures UTC and the Trust.

The report on the Trust review is not expected to be released until late Autumn Term 2022.

With regard to the Walker and North East Futures reports, several recommendations were highlighted, which have been addressed through a Governance Action plan. The areas covered included:

- Trust dividend
- Admissions policy and procedures (UTC)

Tyne Coast Academy Trust

- Scheme of delegation
- Sub-committees
- Communications
- Separation of roles
- Recruitment
- Self-evaluation

The implementation of the above has improved governance arrangements across the academies and Trust. The Trustees have taken very effective steps to improve the make-up of the Boards as well as streamlining its systems and structures to include clear lines of accountability and reporting procedures

Review of Value for Money

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

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

- Robust challenge of budget holder monitoring by the Finance Team
- Tendering of contracts for Cleaning, Catering, Print Services and Broadband
- Ensuring compliance with the Trusts Financial Regulations
- Rigorous performance management and challenge by Trustees
- Shared services with the sponsor to ensure best value for money

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Tyne Coast Academy Trust for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

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. 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 and staffing 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 has considered the need for a specific internal audit function and has appointed RSM as internal auditor for the 2021/22 year.

The auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems which included:

- testing of payroll systems
- testing of purchase systems

On an annual basis, the auditor reports to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

The work was carried out as planned and any recommendations made as part of the review were agreed by management.

Review of Effectiveness

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

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

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

Tyne Coast Academy Trust

Approved by order of the members of the board of trustees on 15 December 2022 and signed on its behalf by:

Leslie Watson

Leslie Watson (Dec 23, 2022 14:41 GMT)

L Watson
Chair of Trustees
23rd December 2022

L Whiterod

L Whiterod (Dec 23, 2022 11:50 GMT)

L Whiterod
Accounting Officer
23rd December 2022

Tyne Coast Academy Trust

Statement on Regularity, Propriety and Compliance

As accounting officer of Tyne Coast Academy 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 Handbook 2021.

I confirm that I and the academy trust 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 Handbook 2021.

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


L Whiterod (Dec 23, 2022 11:50 GMT)

L Whiterod

Accounting Officer

23rd December 2022

Statement of Trustees' Responsibilities

The trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations, including the Annual Accounts Direction published by the Education and Skills Funding Agency (ESFA).

Company law requires the trustees to prepare financial statements for each financial year. Under that law they are required to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The Academies Accounts Direction further requires the financial statements to be prepared in accordance with the Charities SORP (FRS 102).

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

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2021 to 2022
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- assess the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and
- use the going concern basis of accounting unless they either intend to liquidate the charitable company or to cease operations or have no realistic alternative but to do so.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the parent charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the parent charitable company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

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

Tyne Coast Academy Trust

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 UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the board of trustees on 23rd December 2022 and signed on its behalf by:

Leslie Watson

Leslie Watson (Dec 23, 2022 14:41 GMT)

L Watson
Chair of Trustees

Independent auditor's report to the members of Tyne Coast Academy Trust

Opinion

We have audited the financial statements of Tyne Coast Academy Trust ("the 'Academy Trust'") for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), Accounting and Reporting by Charities; Statement of Recommended Practice applicable to Charities (Charities SORP 2019) and the Academies Accounts Direction 2021 to 2022 issued by the Education & Skills Funding Agency.

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

Tyne Coast Academy Trust

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees Report including the incorporated Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees Report including the incorporated Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 24, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Academy 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 Academy Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Tyne Coast Academy Trust

be expected to influence the economic decisions of users taken on the basis of the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the Academy Trust and its industry, we identified that the principal risks of non-compliance with laws and regulations related to the funding agreement with the Department of Education, UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, non-compliance with implementation of government support schemes relating to COVID-19, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the Academy Trust is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the Academy Trust which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as the funding agreement with the Department of Education, tax legislation, pension legislation, the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022.

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to income recognition (which we pinpointed to the cut off assertion) and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

Tyne Coast Academy Trust

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

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



David Hoose (Dec 23, 2022 14:52 GMT)

David Hoose (Senior Statutory Auditor)

for and on behalf of Mazers LLP, Statutory Auditor

Chartered Accountants

The Corner

Bank Chambers

26 Mosley Street

Newcastle upon Tyne

NE1 1DF

23rd December 2022

Independent Reporting Accountant's Assurance Report on Regularity to Tyne Coast Academy Trust and the Education & Skills Funding Agency

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

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

Respective responsibilities of Tyne Coast Academy Trust's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Tyne Coast Academy Trust's funding agreement with the Secretary of State for Education dated 21 August 2015 and the Academies Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by the 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.

Tyne Coast Academy Trust


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

The work undertaken to draw to our conclusion includes:

- Planning our assurance procedures including identifying key risks;
- Carrying out sample testing on controls;
- Carrying out substantive testing including analytical review; and
- Concluding on procedures carried out.

Conclusion

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


Mazars LLP (Dec 23, 2022 14:54 GMT)

David Hoose (Senior Statutory Auditor)

for and on behalf of Mazars LLP, Statutory Auditor

Chartered Accountants

The Corner

Bank Chambers

26 Mosley Street

Newcastle upon Tyne

NE1 1DF

23rd December 2022

Tyne Coast Academy Trust

Statement of Financial Activities for the year ended 31 August 2022

(Including Income and Expenditure Account)

2021/22					2020/2021				
Income and endowment from:	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total £000	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total £000
Donations and capital grants	3	13	-	2,289	2,302	15	-	1,710	1,725
Charitable activities:									
• Funding for the academy trust's educational operations	4	-	20,570	-	20,570	-	19,655	-	19,655
Other trading activities	5	-	599	-	599	-	591	-	591
Total		13	21,169	2,289	23,471	15	20,246	1,710	21,971
Expenditure on:									
Charitable activities:									
• Academy trust educational operations	6	13	22,368	1,661	24,042	-	20,248	2,111	22,359
Total		13	22,368	1,661	24,042	0	20,248	2,111	22,359
Net Income/ (expenditure)		-	(1,199)	628	(571)	15	(2)	(401)	(388)
Transfer between funds	14	-	(325)	325	-	-	(333)	333	-
Other recognised gains/losses:									
Actuarial (losses)/ gains on defined benefit pension schemes	14	-	9,210	-	9,210	-	(282)	-	(282)
Net movement in funds		-	7,686	953	8,639	15	(617)	(68)	(670)
Reconciliation of funds									
Total funds brought forward		929	(7,974)	25,400	18,355	914	(7,357)	25,468	19,025
Total funds carried forward		929	(288)	26,353	26,994	929	(7,974)	25,400	18,355

Tyne Coast Academy Trust

Tyne Coast Academy Trust Balance sheet as at 31 August 2022

Company Number
08313162

	Note	2022 £000	2021 £000	2021 £000
Fixed Assets				
Tangible assets	11		25,106	25,400
Current assets				
Debtors	12	2,529	1,856	
Cash at bank in hand		2,487	2,022	
		<u>5,016</u>	<u>3,878</u>	
Liabilities				
Creditors: Amounts falling due within one year	13	(2,636)	(2,469)	
Net current assets			2,380	1,409
Total assets less current liabilities			<u>27,486</u>	<u>26,809</u>
Creditors: Amounts falling due after more than one year			-	-
Net Assets excluding pension liability			<u>27,486</u>	<u>26,809</u>
Defined benefit pensions scheme liability	20		(492)	(8,454)
Total net assets			<u>26,994</u>	<u>18,355</u>
Funds of the academy trust:				
Restricted funds				
• Fixed asset funds	14	26,353	25,400	
• Restricted income fund	14	204	480	
• Pension reserve	14	(492)	(8,454)	
Total restricted funds			26,065	17,426
Unrestricted income funds	14		<u>929</u>	<u>929</u>
Total Funds			<u>26,994</u>	<u>18,355</u>

The financial statements on pages 32 to 57 were approved by the Board of Trustees, and authorised for issue on 21st December 2022 and are signed on their behalf by:

Leslie Watson

Leslie Watson (Dec 23, 2022 14:41 GMT)

L Watson

Chair of Trustees

23rd December 2022

Tyne Coast Academy Trust

Tyne Coast Academy Trust
Statement of Cash Flows for the year ended 31 August 2022

		2022	2021
		£000	£000
Cash flows from operating activities			
Net cash provided by operating activities	16	(457)	957
Cash flows from investing activities			
	17	922	(333)
Cash flows from financing activities			
		-	-
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		465	624
		<hr/>	<hr/>
Cash and cash equivalents at 1 September 2021	18	2,022	1,398
		<hr/>	<hr/>
Cash and cash equivalents at the 31 August 2022		2,487	2,022
		<hr/>	<hr/>

Notes to the Financial Statements for the year ended 31 August 2022

A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

1. Statement of Accounting Policies

Basis of Preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared 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 FRS 102 (Charities SORP (FRS102)), the Academies Accounts Direction 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Tyne Coast Academy Trust meets the definition of a public benefit entity under FRS 102.

Going Concern

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

Incoming Resources

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

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 year in 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 grant are reflected in the balance in the restricted fixed asset fund. Capital grants are recognised where there is entitlement and are not deferred over the life of the asset on which they are expended.

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

1. Statement of Accounting Policies (continued)

Sponsorship Income

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

Donations

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

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 Services and Gifts in Kind

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'.

Property and other Assets leased/acquired on Formation

Tyne Coast Academy Trust leased the property of Ridgeway Primary Academy on a 125-year lease at no consideration in 2013. The building assets have been included at the valuation the council had last made in 2011-2012 (2007-8 for the MUGA). They are then depreciated in line with the depreciation policy. Furniture acquired on conversion has been valued at a discounted replacement cost and is depreciated over the useful economic life in accordance with the Academy Trust policies.

Transfer on Conversion/Transfer from another Trust

Where assets and liabilities are received by the academy trust on conversion or transfer of an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. An equal amount of income is recognised as transfer on conversion within donations and capital grant income to the net assets received. In 2017/18 Walker Riverside Academy joined the Trust. The Academy was formerly a foundation school so the land was valued by the Trust at conversion using a professional firm of land agents, but the school building is part of a PFI contract and are therefore not capitalised. Furniture and equipment acquired on conversion has been valued at a discounted replacement cost and is depreciated over the useful economic life in accordance with Academy Trust policies. In 2019/20 both Monkwearmouth Academy and Redby Primary Academy transferred from Wearmouth Learning Trust along with Land, Buildings and equipment assets. Transfer has been valued at the current net book value within the outgoing Trust's closing financial statements and depreciated over its useful economic life remaining.

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

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity.

Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent and depreciation charges allocated on the portion of the asset's use.

- **Expenditure on Raising Funds**

These are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

- **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.

All resources expended are inclusive of irrecoverable VAT.

Tangible Fixed Assets

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy.

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

- Ridgeway Primary Academy long leasehold buildings 48 years
- North East Futures UTC Academy long leasehold building 125 Years
- Monkwearmouth Academy long leasehold building 50 years
- Redby Primary Academy long leasehold building 50 years
- Ridgeway Primary Academy Internal Building improvements/Services 15 years
- Ridgeway Primary Academy MUGA 15 years
- Fixtures, fittings and equipment 10 years
- ICT equipment 4 years

The first 6 categories are classified as leasehold land and buildings and the last 2 categories are classified under furniture and equipment.

Assets during construction are included at cost. Depreciation on these assets is not charged until they are brought into use. A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their

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

recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

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.

Leased Assets

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

Financial Instruments

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows:

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 12. Prepayments are not financial instruments.

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

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

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.

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.

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll.

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

The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. As stated in note 20, the TPS is a multi-employer scheme and the academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised in the period to which they relate.

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 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 gains and losses on 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 gains and losses.

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 the funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received and include grants from the Department for Education Group.

Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The academy trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on several factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, 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 2022. Any

Tyne Coast Academy Trust

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

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.

2 General Annual Grant (GAG)

Under the funding agreement with the Secretary of State the academy trust was subject to limits at 31 August 2022 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The Academy Trust has not exceeded these limits during the year ended 31st August 2022.

3 Donations and capital grants

			2021/22	2020/21
	Unrestricted Funds £000	Restricted Funds £000	Total £000	Total £000
Capital Grants	-	2,289	2,289	1,529
Donated fixed assets	-	-	-	181
Other donations	13	-	13	15
	<u>13</u>	<u>2,289</u>	<u>2,302</u>	<u>1,725</u>

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

4 Funding for the Academy Trust's Educational operations

	2021/2022		2020/21	
	Unrestricted Funds £000	Restricted Funds £000	Total Funds £000	Total Restated £000
DfE/ ESFA grants				
General Annual Grant (GAG)	-	17,392	17,392	16,268
Pupil Premium	-	1,587	1,587	1,327
Pupil Number Adjustment	-	(25)	(25)	(215)
Other Dfe/ ESFA grants	-	778	778	1,305
	-	19,732	19,732	18,685
Other Government grants				
Local Authority Grants	-	419	419	340
SEN from LA	-	290	290	241
	-	709	709	581
Other income from the academy trust's educational operations	-	129	129	168
COVID-19 additional Funding (DfE/SFA)				
Catch Up Premium	-	-	-	221
	-	20,570	20,570	19,655

An adjustment to previous years reporting has been made on this note in relation to the Pupil Number Adjustment and the General Annual Grant reporting. The Pupil Number Adjustment was incorrectly stated as a positive figure in the previous financial year with the negative adjustment being reported within General Annual Grant. This has been corrected within the note above.

5 Other trading activities

	2021/22		2020/21	
	Unrestricted Funds £000	Restricted Funds £000	Total £000	Total £000
Academy trips	-	122	122	2
Hire of facilities	-	48	48	31
Income from ancillary trading activities	-	13	13	8
Sundry income	0	416	416	550
	-	599	599	591

Tyne Coast Academy Trust

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

6 Expenditure

	Non Pay expenditure			2021/22	2020/21
	Staff Costs £000	Premises £000	Other £000	Total £000	Total £000
Academy's educational operations:					
Direct Costs	13,681	-	1,558	15,239	14,329
Allocated support costs	1,684	2,999	4,120	8,803	8,030
	15,365	2,999	5,678	24,042	22,359

Net income / (expenditure) for the period includes:

	2021/22 £000	2020/21 £000
Operating lease rentals	80	61
-audit	24	26
-other services	4	-

6 Expenditure (continued)

	Non Pay expenditure			2021/22	2020/21
	Staff Costs £000	Premises £000	Other £000	Total £000	Total £000
Direct costs – educational operations	13,681	-	1,558	15,239	14,329
Support costs – educational operations	1,684	3,602	3,517	8,803	8,030
	15,365	3,602	5,075	24,042	22,359

Analysis of support costs

	2021/22 Total £000	2020/21 Total £000
	Educational operations £000	
Support staff costs	1,684	1,691
Depreciation	1,661	2,111
Premises costs	2,999	2,848
Other support costs	2,386	1,325
Governance costs	73	55
Total support costs	8,803	8,030

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

6 Expenditure (continued)

	Unrestricted Funds £000	Restricted Funds £000	2021/22 £000	2020/21 £000
Direct costs				
Teaching and educational support staff costs	-	13,681	13,681	13,005
Technology costs	-	319	319	207
Educational supplies	-	418	418	263
Examination fees	-	205	205	214
Staff development	-	48	48	50
Educational consultancy	-	124	124	146
Other direct costs	-	444	444	444
	-	15,239	15,239	14,329
Allocated support costs				
Support staff costs	-	1,684	1,684	1,691
Depreciation	-	1,661	1,661	2,111
Recruitment and support	-	10	10	6
Maintenance of premises and equipment	-	356	356	281
Cleaning	-	254	254	273
Rent and Rates	-	1,052	1,052	857
Energy costs	-	556	556	271
Insurance	-	87	87	89
Security and transport	-	4	4	382
Catering	-	690	690	695
Government costs	-	73	73	55
Other support costs	-	2,376	2,376	1,319
	-	8,803	8,803	8,030
	-	24,042	24,042	22,359

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

7 Staff

a. Staff costs

Staff costs during the period were:

	2021/22 £000	2020/21 £000
Wages and salaries	11,072	10,695
Social security costs	1,203	1,126
Pension costs	2,442	2,347
	<u>14,717</u>	<u>14,168</u>
Agency staff costs	601	419
Staff restructuring costs	47	108
	<u>15,365</u>	<u>14,695</u>
Staff restructuring costs comprise:		
Redundancy payments	47	108
Severance payments	-	-
Other restructuring costs	-	-
	<u>47</u>	<u>108</u>

b. Non statutory / non-contractual staff severance payments

There are no non-statutory / non-contractual severance payments included in staff restructuring costs.

c. Staff numbers

The average number of personnel employed by the academy trust during the year/period was as follows:

	2021/22 No.	2020/21 No.
Teachers	184	182
Administration and support	179	166
Management	10	11
	<u>373</u>	<u>359</u>

d. Higher paid staff

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

	2021/22 No.	2020/21 No.
£60,001 - £70,000	6	4
£70,001 - £80,000	2	2
£80,001 - £90,000	4	3
£100,001 - £120,000	0	1
£120,001 - £130,000	1	0

e. Key management personnel

The key management personnel of the academy trust comprise the senior management team listed on page 3. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £315,362 (2021: £324,079)

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

8. Central Services

The Academy Trust has provided the following central services to its academies during the year:

- Trust Leadership
- School improvement support (primary and secondary)
- Finance management, support and advice
- Finance software and licenses
- Procurement management, support and advice
- Operational Support (Policy)
- Central Governance and governing body support
- Data Protection Officer and Compliance
- Estates Management

The Academy Trust charge for these services within 2021/22 at a flat rate of 6% of GAG and Early Years Income.

The actual amounts charged during the year were as follows:

	£	£
School	2021/22	2020/21
Walker Riverside Academy	440,392	418,601
Monkwearmouth Academy	272,523	269,531
North East Futures UTC Academy	67,424	74,934
Ridgeway Primary Academy	133,088	126,319
Redby Primary Academy	79,704	78,448
Total	993,131	967,833

9 Related Party Transactions – Trustees' remuneration and expenses

The staff trustees only receive remuneration in respect of services they provide undertaking the roles of staff, and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as trustees.

No Trustees' received any remuneration for the year ended 31 August 2022

During the year ended 31 August 2022, travel and subsistence expenses totalled £nil (2021: nil)

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

10 Trustees' and Officer' Insurance

The Academy's insurance requirements are provided by the ESFA risk protection arrangement (RPA) for academy trusts. This provides cover up to £500,000 on any one claim for governors and officers of the academy trust and the cost for the period ended 31 August 2022 was £55,376, (2021: £52,254)

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

Walker Riverside Academy	21,470
Monkwearmouth Academy	16,226
Ridgeway Primary Academy	8,037
Redby Academy	5,995
North East Futures UTC	3,648
	55,376

11 Tangible Fixed Assets

	Freehold Land and Buildings £000	Leasehold Land and Buildings £000	Furniture and Equipment £000	Assets Under Construction £000	Total £000
Cost					
At 1 September 2021	2,160	25,347	1,884	-	29,391
Additions	-	838	353	176	1,367
At 31 August 2022	<u>2,160</u>	<u>26,185</u>	<u>2,237</u>	<u>176</u>	<u>30,758</u>
Depreciation					
At 1 September 2021	-	3,160	831	-	3,991
Charged in year	-	1,236	425	-	1,661
At 31 August 2022	<u>-</u>	<u>4,396</u>	<u>1,256</u>	<u>-</u>	<u>5,652</u>
Net book values					
At 31 August 2021	2,160	22,187	1,053	-	25,400
At 31 August 2022	<u>2,160</u>	<u>21,789</u>	<u>981</u>	<u>176</u>	<u>25,106</u>

12 Debtors

	2022 £000	2021 £000
Trade Debtors	127	143
Other Debtors	-	-
Prepayments and accrued Income	2,146	1,004
VAT recoverable	256	709
	<u>2,529</u>	<u>1,856</u>

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

13 Creditors: amounts falling due within one year

	2022	2021
	£000	£000
Trade creditors	418	580
Other taxation and social security	295	274
Other creditors	-	41
Accruals and deferred	1,923	1,574
	<u>2,636</u>	<u>2,469</u>

Deferred income

	2022	2021
	£000	£000
Deferred Income at 1 September 2021	455	153
Released from previous year	(455)	(153)
Resources deferred in the year	283	455
Deferred Income at 31 August 2022	<u>283</u>	<u>455</u>

At the balance sheet date, the Academy Trust was holding funds received in advance relating to Pupil Number Adjustment Clawback (£25k), Rates Rebates (£63k), one vision funding for Monkwearmouth (£19k), Free School Meals Grant (£20k), Devolved Formula Capital Grant (£63k), National Tutoring Programme Clawback (£77k), IPS Funding (£12k), ESFA VAT (£4k)

Tyne Coast Academy Trust

14 Funds

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2022 £000
Restricted general funds					
Transferred on conversion	41	-	-	(41)	-
Transfer in of existing academies	(736)	-	-	-	(736)
General Annual Grant (GAG)	649	18,954	(18,905)	(244)	454
Start-up Grant	40	-	-	(40)	-
Catch up Premium	-	-	-	-	-
Other DfE / ESFA Grants	135	778	(778)	-	135
LEA and other grants	-	709	(709)	-	-
Other restricted	351	728	(728)	-	351
Pension Reserve	(8,454)	-	(1,248)	9,210	(492)
	(7,974)	21,169	(22,368)	8,885	(288)
Restricted fixed asset funds					
Transferred on conversion	24,797	-	-	-	24,797
DfE/ESFA capital grants	2,243	2,289	-	-	4,532
Capital expenditure from GAG	(1,640)	-	(1,661)	325	(2,976)
	25,400	2,289	(1,661)	325	26,353
Total restricted funds	17,426	23,458	(24,029)	9,210	26,065
Total unrestricted funds	929	13	(13)	-	929
Total funds	18,355	23,471	(24,042)	9,210	26,994

Total funds analysis by academy

Fund balances at 31 August 2022 were allocated as follows:

	2022 £000	2021 £000
Ridgeway Primary Academy	594	577
Walker Riverside Academy	766	662
Central services	(89)	(34)
Other	53	53
North East Futures UTC	(275)	(87)
Monkwearmouth	30	246
Redby Academy	54	(8)
Total before fixed assets and pension reserve	1,133	1,409
Restricted fixed asset fund	26,353	25,400
Pension reserve	(492)	(8,454)
Total	26,994	18,355

Central Services are carrying a deficit figure within the Trust funds due to required staffing related expenditure for the Central Function to meet the demands of the growth within the trust within previous years. North East Futures have a deficit position in year of £275k which was planned to ensure Educational needs were met as a result of Year 9 Students being transferred into Walker Riverside Academy. This deficit will be repaid in the next financial year using the Lagged Funding for these students being received by Walker Riverside Academy.

Tyne Coast Academy Trust

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

14 Funds (continued)

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)	2021/22 Total
	£000	£000	£000	£000	£000
Ridgeway Primary Academy	1,880	272	137	762	3,051
Walker Riverside Academy	6,200	1,684	418	351	8,653
North East Futures UTC	1,070	172	29	870	2,141
Monkwearmouth Academy	3,302	531	83	2,419	6,335
Redby Academy	1,113	186	33	288	1,620
Central Services	117	142	-	735	994
Academy Trust	13,682	2,987	700	5,425	22,794

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

	Balance at 1 September 2020 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2021 £000
Restricted general funds					
Transferred on conversion	(491)	-	-	532	41
Transfer in of existing academies	(736)	-	-	-	(736)
General Annual Grant (GAG)	393	17,380	(16,259)	(865)	649
Start Up Grant	40	-	-	-	40
Catch up premium	-	221	(221)	-	-
Other DfE / ESFA Grants	135	1,305	(1,305)	-	135
LEA and other grants	-	581	(581)	-	-
Other restricted	556	759	(964)	-	351
Pension Reserve	(7,254)	-	(918)	(282)	(8,454)
	(7,357)	20,246	(20,248)	(615)	(7,974)
Restricted fixed asset funds					
Transferred on conversion	24,797	-	-	-	24,797
DfE/ESFA capital grants	533	1,710	-	-	2,243
Capital expenditure from GAG	138	-	(2,111)	333	(1,640)
	25,468	1,710	(2,111)	333	25,400
Total restricted funds	18,111	21,955	(22,359)	(282)	17,426
Total unrestricted funds	914	15	-	-	929
Total funds	19,025	21,970	(22,359)	(282)	18,355

Tyne Coast Academy Trust

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

14 Funds (continued)

A current year 12 months and prior 12 months combined position is as follows:

	Balance at 1 September 2020 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2022 £000
Restricted general funds					
Transferred on conversion	(491)	-	-	491	-
Transfer in of existing academies	(736)	-	-	-	(736)
General Annual Grant (GAG)	393	36,334	(35,164)	(1,109)	454
Start Up Grant	40	-	-	(40)	-
Catch up Premium	-	221	(221)	-	-
Other DfE / ESFA Grants	135	2,083	(2,083)	-	135
LEA and other grants	-	1,290	(1,290)	-	-
Other restricted	556	1,487	(1,692)	-	351
Pension Reserve	(7,254)	-	(2,166)	8,928	(492)
	<u>(7,357)</u>	<u>41,415</u>	<u>(42,616)</u>	<u>8,270</u>	<u>(288)</u>
Restricted fixed asset funds					
Transferred on conversion	24,797	-	-	-	24,797
DfE/ESFA capital grants	533	3,999	-	-	4,532
Capital expenditure from GAG	138	-	(3,772)	658	(2,976)
	<u>25,468</u>	<u>3,999</u>	<u>(3,772)</u>	<u>658</u>	<u>26,353</u>
 Total restricted funds	 <u>18,111</u>	 <u>45,414</u>	 <u>(46,388)</u>	 <u>8,928</u>	 <u>26,065</u>
Total unrestricted funds	914	28	(13)	-	929
Total funds	<u>19,025</u>	<u>45,442</u>	<u>(46,401)</u>	<u>8,928</u>	<u>26,994</u>

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

15 Analysis of net assets between funds

Fund balances at 31 August 2022 are represented by:

	Unrestricted general fund £000	Restricted general fund £000	Restricted fixed asset fund £000	Total Funds £000
Tangible fixed assets	-	-	25,106	25,106
Current assets	929	4,087	-	5,016
Current liabilities	-	(2,636)	-	(2,636)
Non-current liabilities	-	-	-	-
Pension scheme liability	-	(492)	-	(492)
Total net assets	929	959	25,106	26,994

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

	Unrestricted general fund £000	Restricted general fund £000	Restricted fixed asset fund £000	Total Funds £000
Tangible fixed assets	-	-	25,400	25,400
Current assets	929	2,949	-	3,878
Current liabilities	-	(2,469)	-	(2,469)
Non-current liabilities	-	-	-	-
Pension scheme liability	-	(8,454)	-	(8,454)
Total net assets	929	(7,974)	25,400	18,355

Tyne Coast Academy Trust

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

16 Reconciliation of net income / (expenditure to net cash inflow from operating activities

	2021/22	2020/21
	£000	£000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(1,818)	(388)
Adjusted for:		
Depreciation (Note 11)	1,661	2,111
(loss)/profit on disposal of tangible fixed assets		
Capital grants from DfE and other capital income	(2,289)	(1,710)
Interest receivable (Note 6)		
Defined benefit pension cost less contributions payable (note 28)	1,109	799
Defined benefit pension cost finance cost (Note 28)	139	119
Defined benefit pension cost in scheme obligation inherited	-	-
Transfer of Existing Academies net assets	-	-
(Increase) / decrease in debtors	(673)	(720)
Increase / (decrease) in creditors	167	746
Net cash provided by / (used in) Operating Activities	(457)	957

17 Cash flows from investing activities

	2021/22	2020/21
	£000	£000
Purchase of tangible fixed assets	(1,367)	(2,043)
Capital grants from DfE/ESFA	2,289	1,710
Net cash provided by / (used in) investing activities	922	(333)

18 Analysis of cash and cash equivalents

	2021/22	2020/21
	£000	£000
Cash in hand and at bank	2,487	2,022
Notice deposits (less than 3 months)		
	2,487	2,022

19 Members' Liability

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

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

20 Pension and similar obligations

The Academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff; which is managed by Tyne & Wear Pension Fund. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £285,988 were payable to the scheme at 31 August 2022 (2020/21: £275,248) and are included with creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme ("TPS") is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Regulations (2010) and, from 1 April 2014. Membership is automatic for teachers in academy trusts. All teachers have the option to opt-out of the TPS following enrolment.

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. 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 2019 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for the service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million.
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations.
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. the assumed nominal rate of return is 4.45%.

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

The employer pension costs paid to TPS in the period amounted to £2,681,416 (2020/21: £2,621,514).

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

Under the definitions set out in FRS102 Retirement Benefits, the TPS is an unfunded multi-employer pension scheme. The academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

Tyne Coast Academy Trust

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

20 Pension and similar obligations (continued)

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £690,242 (2021: £630,335), of which employer's contributions totalled £520,736 (2021: £473,956) and employees' contributions totalled £169,505 (2021: £156,379). The agreed contribution rates for future years are 15.1 per cent for employers and between 5.5 and 12.5 per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Principal Actuarial Assumptions

	2022	2021
Rate of increase in salaries	4.20%	4.10%
Rate of increase for pensions in payment / inflation	2.70%	2.60%
Pension accounts revaluation rate	2.70%	2.60%
Discount rate for schemes liabilities	4.10%	1.70%
Inflation assumption (CPI)	2.70%	2.60%

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

	2022	2021
<i>Retiring today</i>		
Males	21.8	21.9
Females	25.0	25.1
<i>Retiring in 20 years</i>		
Males	23.5	23.6
Females	26.7	26.9

Sensitivity Analysis

	2022 £000	2021 £000
Discount rate +0.1%	11,352	18,582
Discount rate -0.1%	11,982	19,614
Mortality assumption – 1 year increase	11,994	19,824
Mortality assumption – 1 year decrease	11,340	18,391
CPI rate +0.1%	11,725	19,193
CPI rate -0.1%	11,609	19,003

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

20 Pension and similar obligation (continued)

Local Government Pension Scheme (Continued)

The academy's share of the assets and liabilities in the scheme and the expected rates of return were:

	2022	2021
	£000	£000
Equities	6,012	5,916
Guaranteed Bonds	179	224
Property	1,240	852
Cash	201	426
Corporate Bonds	2,079	2,140
Multi Asset Credit	492	-
Other	972	1,086
Equity Instruments	11,175	10,644
Present value of scheme Liabilities		
Debt instruments	(11,667)	(19,098)
Total market value of assets	(492)	(8,454)

The actual return on the scheme assets was £0.049m (2021: £1.649m)

Amounts recognised in the Statement of Financial Activities

	2021/22	2020/21
	£000	£000
Current service cost	1,109	799
Past service cost	-	-
Interest Income	(186)	(148)
Interest Cost	325	267
Total amount recognised in the SOFA	1,248	918

Tyne Coast Academy Trust

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

20 Pension and similar obligations (continued)

Local Government Pension Scheme (Continued)

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

	2021/22	2020/21
	£000	£000
At 1 September 2021	19,098	15,677
Current service cost	1,634	1,273
Interest cost	325	267
Employee contributions	170	156
Actuarial (gain) / loss	(9,445)	1,783
Benefits paid	(115)	(58)
Past Service cost	-	-
Transferred in on existing academies joining the trust	-	-
At 31 August 2022	11,667	19,098

Changes in the fair value of Academy's share of scheme assets:

	2021/22	2020/21
	£000	£000
At 1 September 2021	10,644	8,423
Interest Income	186	148
Actuarial gains/(loss)	(235)	1,501
Employer contributions	525	474
Employee contributions	170	156
Net increase in assets from disposals/acquisitions	-	-
Benefits paid	(115)	(58)
At 31 August 2022	11,175	10,644

Tyne Coast Academy Trust

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

21 Related Party Transactions

Owing to the nature of the Academy Trust's operations and the composition of the board of trustees being drawn from public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the board of trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures. The following related party transactions took place in the period of account.

Tyne Coast College – sponsor institution for Tyne Coast Academy Trust

The trust was provided with ICT, finance and management services at a total cost of £603,032 (2021: £438,645) by its sponsor institution, with these services being provided at a less than cost basis by Tyne Coast College due to the college not charging the trust with a contribution towards overheads.

Groundwork South Tyneside and Newcastle – a company in which Mr A Watts (a trustee of the trust) is Executive Director.

The trust purchased educational services value £5,500 (2021: £3,475) from Groundwork South Tyneside and Newcastle. The procurement of these resources was carried out in accordance with the trust's financial regulations.

North East LEP – an organisation which Professor Michael Whitaker (a trustee of the trust) is an advisor.

The Trust claimed funding from the North East LEP in respect of Careers Events to the value of £550 (2021: £1,150)