

VIEWLEY HILL ACADEMY
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

VIEWLEY HILL ACADEMY
(A Company Limited by Guarantee)

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VIEWLEY HILL ACADEMY
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REFERENCE AND ADMINISTRATIVE DETAILS

Members

P L Bowler
J Marley (resigned 26 April 2021)
D Higgins (appointed 26 April 2021)
L E Sinclair
Rev K E Stone

Trustees

Rev K E Stone, Chair & Community Trustee
A Baker, Parent Trustee (appointed 9 December 2020)
K Barkley, Headteacher & Accounting Officer (appointed 1 September 2020)
P Cowley, Community Trustee
G Dorman-Smith, Chair of SIC & Community Trustee
R L Moffatt, Community Trustee
A Sigsworth, Parent Trustee (appointed 9 December 2020)
R Small, Parent Trustee
J C Thirkell, Parent Trustee, Chair of F&R

Company registered number

08803858

Company name

Viewley Hill Academy

Principal and registered office

Andover Way
Hemlington
Middlesbrough
TS8 9HL

Senior Leadership Team

K Barkley, Headteacher & Accounting Officer (appointed 1 September 2020)
S Gardiner, Deputy Headteacher
C Scallie, Assistant Headteacher
J Lowe, Business Manager

Independent auditors

Clive Owen LLP
Chartered Accountants
140 Coniscliffe Road
Darlington
County Durham
DL3 7RT

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Bankers

Lloyds Bank plc
Albert Road
Middlesbrough
TS1 2PP

Solicitors

Muckle LLP
Time Central
32 Gallowgate
Newcastle upon Tyne
NE1 4BF

VIEWLEY HILL ACADEMY
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The trust operates an academy for pupils aged 2 to 11 serving a catchment in Middlesbrough in the north east of England. It has a pupil capacity of 273 with a 26 FTE nursery and a roll of 247 and 22 FTE in the school census dated January 2020.

Structure, Governance and Management

Constitution

The academy 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. The Trustees of Viewley Hill Academy are also the directors of the charitable company for the purposes of company law. The charitable company is known as Viewley Hill Academy.

Details of the Trustees who served during the , and to the date these accounts are approved are included in the Reference and administrative details on page 1.

Members' Liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, 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 academy has purchased insurance to protect Trustees from claims arising from damages, judgements or settlements, defence costs and expenses awarded to any claimant.

Method of Recruitment and Appointment or Election of Trustees

The term of office for any Trustee shall be four years, save that this time limit shall not apply to the Headteacher or any post ex-officio. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be re-appointed or re-elected. The Headteacher of the academy is a Trustee. The Members appoint up to six community Trustees. The Parent Trustees are elected by parents of registered pupils at the academy and must be a parent of a registered pupil at the academy at the time of appointment.

Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new Trustees depends on their existing experience. All new Trustees are directed to central induction training delivered by the Local Authority Governor Development Service. In addition to this, specific training and orientation on educational, legal and financial matters is provided by the Headteacher, Business Manager and Chair of School Improvement Committee as appropriate. All new Trustees undertake an induction process, are given a tour of the academy, provided with copies of key policies, procedures, plans and other relevant documents to inform their role. As there are normally only one or two new Trustees a year, induction can be tailored carefully to skills and experience. During the course of the pandemic, much induction has been undertaken virtually. Visits in school have been accessed as appropriate in line with government and Public Health guidelines.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, Governance and Management (continued)

Organisational Structure

During the period 1st September 2020 to 31st August 2021 the academy operated a three-layer management structure: the Board of Trustees, the Senior Leadership Team and the Middle Management Team. The aim of the management structure is to devolve clear lines of responsibility, accountability and authority and to encourage involvement in strategic and operational decision making at all levels.

The Trustees are named as part of page 1 of this report, alongside their designated roles.

The Senior Leadership Team includes the Headteacher, Deputy Headteacher, Assistant Headteacher and School Business Manager.

The Middle Management of the academy trust is centered on individual subject and curriculum leadership responsibility.

The Trustees are responsible for: setting general policy, influencing the school improvement plan and overseeing the budget forecast, monitoring the academy's financial operations and academic standards and making major decisions about the direction of the academy, capital expenditure and senior staff appointments.

The Senior Leadership Team consists of the Headteacher, Deputy Headteacher, Assistant Headteacher and School Business Manager who lead on the strategic and operational management of the academy within their defined roles. On a day to day basis, they ensure the implementation of policies laid down by the Trustees and reporting back to them on effectiveness and impact. The spending control is devolved to the Headteacher and Business Manager for authorisation of spending within agreed budgets. Any spending above agreed limits must be referred to the Board of Trustees of the trust.

Middle leaders focus on the operational leadership of their defined areas of responsibility, and are supported by strategic senior leaders in school. These leaders report to Trustees the effectiveness and impact of their work throughout the course of the academic year.

Arrangements for setting pay and remuneration of key management personnel

The Academy Pay Policy sets out in detail the arrangements for setting pay and remuneration of key management personnel. The policy applies to employees of the academy. Only Staff Trustees and the Senior Leadership Team receive pay from the academy as they are employees of the academy. The Trustees have an established committee to carry out determinations of pay in accordance with this policy.

In addition there is a Governor Allowances Policy which sets out the conditions which enable a Trustee to request a payment in respect of expenditure necessarily incurred for the purpose of enabling the Trustee or Member to perform their governance duty.

Related parties and other connected charities and organisations

All Members and Trustees are required to declare any business interests that may impact on the academy. Details of transactions with Related Parties during the reporting period are in note 24 to the Financial Statements.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and Activities

Objects and Aims

The principal object and activity of Viewley Hill Academy is to provide education for students of different abilities between the ages of 2-11 with an emphasis on ensuring that all children, despite any social and economic deprivation, achieve the best possible personal and academic outcomes considering their individual starting points.

In accordance with the articles of association the charitable company has adopted a 'Scheme of Government' approved by the Secretary of State for Education. The Scheme of Government specified, amongst other things, the basis for admitting students to the academy trust, the catchment area from which the students are drawn, and that the curriculums should comply with the substance of the national curriculum with emphasis on ensuring a broad, balanced and ambitious curriculum that meets the needs of the community we serve.

- Viewley Hill Academy serves an area of high social and economic deprivation. 61% of pupils are disadvantaged which is significantly higher than the national average of 20.8%
- The average percentage of pupils registered as SEND Support within school is 15% compared to 12.2% nationally

To assist academic study and support good attendance, the academy runs a breakfast club, small group and individual interventions for identified pupils and maintains a high staffing ratio to meet our children's often complex learning, personal development and pastoral needs. Whilst the pandemic has resulted in a minimal wider offer this academic year, the academy is committed to ensuring pupils are offered a wide range of activities and experiences in order to support both personal and academic growth, knowledge and skills.

Objectives, Strategies and Activities

The main objectives of the academy for the period 1st September 2020 to 31st August 2021 are summarised below:

- **Covid Response:** Ensure that quality first teaching addresses the gaps in learning as a result of lost face to face learning in school.
- **Curriculum Development:** Refine the approach to wider curriculum in order to address gaps in learning due to the pandemic and ensure long term curriculum sequence that encouraged regular opportunities for pupils to visit all subject areas; knowing more and remembering more.
- **Outcomes:** Ensure that the vast majority of pupils make at least expected rates of progress, and increase the proportion making accelerated progress from their starting points.
- **Leadership:** In light of new headteacher appointment, build new strategic team with clear roles of responsibility and accountability.
- **Pastoral Development:** Refine systems and processes in place to support vulnerable pupils in order to ensure timely and appropriate support meets the needs of children and their families.

The academy's main objectives are captured in its vision statement which articulates the academy's ethos and strategies for achieving its objectives:

- Viewley Hill is at the heart of our community where every family is valued and welcomed.
- We aim to inspire each child to believe in their own potential and provide them with personal and academic life skills they need for their future.
- We will promote independence, curiosity and resilience; skills which will encourage our children to become life-long learners.
- We will provide a curriculum that is engaging and challenging and which responds to the needs of our children and enriches their experience of the world beyond their immediate community.
- We will support our children in becoming responsible and considerate young people. We will ensure they are safe and happy, and that their voice is heard. We will encourage them to contribute fully to the life of our school.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and Activities (continued)

The activities undertaken to achieve these objectives are all intended to provide the highest quality of education in the public sector for students between the ages of 2 and 11.

Public Benefit

The charity's aims and achievements are set out within this report. The activities set out in this report have been to further the charity's charitable purposes for public benefit. The Trustees have complied with the duty under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission and the Trustees have paid due regard to the guidance in deciding what activities the charity should undertake.

Strategic Report

Achievements and Performance

As part of the leadership priority, strategic actions have included ensuring visibility of school leaders and sharing the successes of the school more widely. The drive to ensure Viewley Hill grows in its positive impact in the community has been successful to date. This is reflected in parent survey analysis alongside pupil numbers continuing to increase.

Government and Public Health England requirements to isolate, coupled with school being closed to the vast majority of pupils between Jan 4th and March 8th, resulted in a robust remote learning offer for the majority of pupils and a clear focus on individual pupil progress from their individual starting points.

During the partial closure school remained open to all children of key workers and to those children identified as vulnerable. Alongside this face to face learning for these identified pupils, staff ensured daily remote learning was in place for all pupils to meet their individual needs. The learning platform used allowed for timely marking and feedback to support children in their learning. This platform was introduced at the beginning of the academic year and engagement with pupils and their families was significantly higher than during the previous closure in Summer 2020. Due to the success of the system, it remains in place to support the wider school offer in 2021-2022.

This learning platform allowed weekly review of online engagement during the partial closure and where poor engage was a concern, the school welfare team worked hard to engage pupils and their families. Regular assessment points during full school opening allowed for on-going teacher assessment for summative and formative purposes. This data drove decision making in the recovery curriculum offer, ensuring gaps in learning and sequences of learning were at the heart of quality first teaching.

The internal data on the next page is reflective of pupil progress throughout 2021-2022.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic Report (continued)

Achievements and Performance (continued)

Key Performance Indicators

Pupil Progress Data:

Pupil Group	Average Subject	Reading	Writing	Maths
All pupils	6.1	6.0	6.2	6.0
Males	6.2	6.0	6.3	6.3
Females	6.0	6.1	6.2	5.7
Pupil Premium	6.1	6.3	6.2	6.0
Not Pupil Premium	6.0	5.6	6.2	6.1
SEN Support	5.4	5.6	5.4	5.2
Not SEN	6.3	6.1	6.4	6.2

Within the course of a full academic year pupils are expected to make 6 points progress. The data demonstrates that, despite the significant amount of lost face to face learning that the vast majority of pupils have made good progress.

When considering groups of pupils, there are no gaps in gender across whole school.

Disadvantaged pupils performed in line with non-disadvantaged in writing and maths, and outperformed non-disadvantaged in reading. On analysis, many of our disadvantaged pupils attended face to face learning during the partial closure, having a more positive impact on their progress.

There is a clear gap in progress between SEN supported pupils and none SEN pupils. Whilst progress is positive considering lost learning, many children faced challenges of engagement during the partial closure despite significant remote effort and support from school. The progress of SEND pupils, from their individual starting points, will be a focus of the SENDco and SLT moving forward into 2021-2022.

Due to the Covid-19 Pandemic, national statutory testing did not take place in primary schools during 2020-2021 and so therefore there is no full data set to report. Data on the next page reflects outcomes to date and that whilst, progress is positive, the academy will be focused on this impacting on pupil outcomes moving forward.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic Report (continued)

Achievements and Performance (continued)

	VHA 2018 (NA)	VHA 2019	VHA 2020 March Data	VHA 2020 Predicted	VHA 2021 TA inc (2019 test)
EYFS: % GLD	66% (71%)	72% (71%)	54%	64%	33%
Reading	66% (77%)	82%	60%	64%	39%
Writing	69% (74%)	72%	54%	64%	39%
Number	84% (80%)	77%	66%	75%	57%
PHONICS: Y1	88% (83%)	81% (82%)		82%	60%
PHONICS: Y2	95% (92%)	100%		94%	95%
KS1:EXS Reading	64% (75%)	78% (75%)	71%	77%	64%
KS1:EXS Writing	64% (70%)	75% (70%)	71%	77%	56%
KS1:EXS Maths	69% (76%)	75% (76%)	71%	77%	61%
KS1:EXS RWM	64% (65%)	72%	67%	76%	51%
KS1:GDS Reading	18% (26%)	22%	19%		10.3%
KS1:GDS Writing	13% (16%)	19%	3%		5.1%
KS1:GDS Maths	18% (17%)	22%	16%		12.8%
KS1:GDS RWM	(12%)	17%	3%		5.1%
KS2:EXS Reading	50% (75%)	59% 73 (SS 101.8)	73%	81%	70%
KS2:EXS Writing	67% (78%)	70%78	42%	69%	49%
KS2:EXS Maths	54% (76%)	78% 79 (SS 102.5)	42%	65%	49%
KS2:EXS RWM	50% (64%)	48% 65	38%	65%	49%
KS2:GDS Reading	29% (28%)	15% (27%)	19%	35%	11%
KS2:GDS Writing	21% (20%)	19% (20%)	15%	38%	16%
KS2:GDS Maths	17% (24%)	7% (27%)	0%	12%	5%
KS2:GDS GPS	25% (34%)	22% (36%)	15%	38%	
KS2:GDS RWM	8% (10%)	0% (11%)	0%	12%	5%
KS1 – KS2 PROGRESS READING (-5)	-0.6	-0.09	23.6 (KS exp 24)		22 (KS exp 24)
KS1 – KS2 PROGRESS WRITING (-7)	3.2	0.75	23.1 (KS exp 24)		21.1 (KS exp 24)
KS1 – KS2 PROGRESS MATHS (-5)	0.6	-0.09	23.5 (KS exp 24)		21.5 (KS exp 24)
ATTENDANCE	96%	96% (95.8%)	94.3% Sep- March		93.58%

Going Concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the academy 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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic Report (continued)

Financial Review

Most of the academy's income is obtained from the DfE in the form of recurrent grants disbursed via the Education Skills Funding Agency (ESFA), the use of which is restricted to particular purposes. The grants received during the period ended 31 August 2021 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The academy also received grants for fixed assets from the ESFA and other funding bodies. In accordance with the Charities SORP (FRS 102), such grants are shown under the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31 August 2021, total expenditure of £1,787,000 was in excess of recurrent grant funding from DfE/ESFA together with other incoming resources. The excess of expenditure over income for the year (before transfers and actuarial gains, and excluding fixed asset funds) was £116,000. The in-year surplus on restricted general funds plus unrestricted funds but excluding the increase in the pension reserve liability was £109,000.

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

At 31 August 2021 net book value of fixed assets was £2,509,000 and movements in tangible fixed assets are shown in note 12 to the Financial Statements. The assets were used exclusively for providing education and the associated support services to the students of the academy.

The provisions of Financial Reporting Standard (FRS) 102 have been applied in full in respect of LGPS pension scheme, resulting in a deficit of £936,000 recognized on the balance sheet.

The academy held fund balances as at 31 August 2021 of £1,922,000 comprising £1,837,000 of restricted funds and £85,000 of unrestricted funds. The total of restricted general funds, excluding pension reserves, plus unrestricted funds as at 31 August 2021 was £349,000.

Reserves Policy

The academy holds restricted and unrestricted funds (the attached financial statements detail these funds). Unrestricted funds are held:

- To provide funds which can be designated to specific areas such as curriculum materials and training
- To cover ongoing costs in relation to the running of the academy including catering provisions, school trips and uniform costs

The level of reserves is reviewed by Trustees regularly throughout the year. The minimum level of reserves for the ongoing needs of the academy is reviewed by the Trustees on an annual basis. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees therefore consider it is prudent to hold unrestricted reserves in the general fund in the form of free reserves (total funds less the amount held in fixed assets and restricted funds) of £50,000.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic Report (continued)

Reserves Policy (continued)

The academy's current level of free reserves are in surplus by £85,000 and therefore are considered to be above the level of reserves required for the ongoing needs of the academy. The increasing reserves are a result of the academy being unable to complete significant improvement works due to the pandemic. Planned works related to school priorities include:

- a) re-development of outdoor provision and playgrounds
- b) library development for on-going pupil access
- c) pastoral space to support pupils personal and pastoral needs
- d) increasing car parking space

Investment Policy

The academy keeps the necessary funds in the main bank account for daily operations and hold surpluses on deposit making transfers as necessary. However, there is a limited amount on deposit and the interest on them is negligible.

Principal Risks and Uncertainties

The principal risks and uncertainties are centred on changes in the level of funding from DfE/ESFA. In addition, the academy is a member of the Local Government Pension Scheme (LGPS), which results in the recognition of significant deficit on the academy balance sheet.

The Trustees have assessed the major risks to which the academy is exposed, in particular those relating specifically to teaching, provision of facilities and other operational areas of the academy and its finances. The Trustees have implemented a number of systems to assess risks that the school faces especially in the operational areas (e.g. in relation to teaching, health and safety, school visits) and in relation to the control of finance. Where significant financial risk still remains they have ensured they have adequate insurance cover. The academy has an effective system of internal financial control and this is explained in more detail in the Governance Statement.

The Trustees believe that the academy's risk management procedures mitigate as far as reasonably possible the principal risks and uncertainties facing it. The academy does not have significant trade debtors. Cash flow is monitored daily by the academy and budgets are presented to the board of trustees who consider cash flow and liquidity in detail.

The academy has fully implemented the requirements of the Safe Recruitment procedures and all staff have received training in this area in addition to training on Child Protection.

The academy is subject to a number of risks and uncertainties in common with other academies. The academy has in place procedures to identify and mitigate financial risks

Fundraising

The academy undertakes small fundraising activities advertised to parents and extended family members in order to raise monies to offset costs of activities and resources which enhance the curriculum and experience of children in school. Examples of these activities during 2020-2021 include:

- Raffles
- Non-uniform events

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Fundraising (continued)

Examples of activities and resources these activities offset the costs of:

- Live theatre performance in school
- Christmas parties and rewards for children

Plans for future periods

During the period 1st September 2020 to 31st August 2021 the following works were undertaken.

- Development of inner courtyard spaces to promote outdoor teaching and learning and proactive use of space.
- Window space added to front office to ensure clear eye-line into school and the safeguarding of school community.
- Internal doors replaced in main entrance.
- Whilst cost neutral due to insurance claim, new flooring laid in main entrance and lower school floor maintenance upgrade carried out.

Further planned work was not possible due to COVID-19. However, it was necessary to implement responsive work in order to meet safety guidance for opening during the pandemic. These works include:

- Widening of, and additional gate to support one-way system;
- Installing new pathways to facilitate extended one-way system;
- Development of EYFS area to support outdoor provision entitlement during pandemic restrictions.

The academy has identified the following areas for future development:

- Re-development of playgrounds;
- Re-development of unused shower and storage spaces to support personal and pastoral development;
- Accessible library space;
- Increased carparking.

These projects could not be actioned during 2020-2021 due to the pandemic and therefore have been moved within the business development plan and into the next financial year.

Funds held as custodian on behalf of others

During the period covered by this report, Viewley Hill Academy has not held any funds as custodian on behalf of others.

Auditor

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that 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 auditors are 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 1 December 2021 and signed on its behalf by:



Rev K E Stone
Chair

VIEWLEY HILL ACADEMY
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GOVERNANCE STATEMENT

Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the Headteacher, 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 Viewley Hill Academy 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.

The Finance and Resources Committee act as the audit committee for the Board of Trustees. The audit committee's role is to help the Governors meet their responsibilities for risk management, having effective internal controls and the efficient and effective use of funds. The audit committee is therefore part of the financial governance arrangements of the academy. The audit committee acts on the authority delegated to it by the Trustees and has appropriate terms of reference and a clear reporting line to that body.

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 5 times during the year. In addition each committee has met 3 times. The Board met less than 6 times due to the clearly established committees/portfolio groups of Trustees who can deal with specific areas of responsibility following robust terms of reference.

FULL GOVERNING BODY

Attendance at virtual meetings throughout 2020-2021 by the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Rev K E Stone, Chair & Community Trustee	5	5
A Baker, Parent Trustee	4	4
K Barkley, Headteacher & Accounting Officer	5	5
P Cowley, Community Trustee	4	5
G Dorman-Smith, Chair of SIC & Community Trustee	5	5
R L Moffatt, Community Trustee	5	5
A Sigsworth, Parent Trustee	4	4
R Small, Parent Trustee	4	5
J C Thirkell, Parent Trustee, Chair of F&R	5	5

FINANCE AND RESOURCES COMMITTEE

The Finance and Resources Committee met on three occasions during the 2020/21 academic year.

The Finance and Resources Committee is a sub-committee of the main Board of Trustees. Its principal purpose is to:

- Set and approve the annual budget;
- Receive and make recommendations on the broad budget headings and areas of expenditure to be adopted each year, including the level and use of any contingency fund or balances, ensuring the compatibility of all such proposals with the development priorities set out in the school improvement plan;
- Carry out the functions of an audit committee.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Rev K E Stone	3	3
K Barkley, Headteacher	3	3
A Sigsworth	2	2
J C Thirkell, Chair	3	3

SCHOOL IMPROVEMENT COMMITTEE

The School Improvement Committee met on three occasions during the 2020/21 academic year.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Rev K E Stone	3	3
A Baker	2	2
K Barkley, Headteacher	3	3
G Dorman-Smith, Chair	3	3
R Molfatt	1	3
A Sigsworth	2	2
R Small	2	2

For information

- Mrs Lowe, School Business Manager, attended FGB and F&R meetings in an advisory capacity
- Mr Taylor, School Improvement Partner, attended SIC meetings in an advisory capacity

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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

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

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

1. Improving Educational Outcomes

The academy constantly reviews pupil groups and the deployment and recruitment of staff in order to achieve the best possible educational outcomes for all children.

Throughout 2020-2021 the academy was required to ensure robust focus on pupil progress within significant restrictions and protective measures in place surrounding Covid-19. To support both recovery and progress, 2 additional TA's were appointed for the academic year in order to increase capacity for pupil support in all year groups and classes across school.

This additionality also allowed school to have a clear system for supporting remote learning during the partial closure of school, with staff allocated to clear roles in support both face to face and remote learning. This had a positive impact with the percentages of pupil engaging in remote learning significantly improved in comparison to the previous partial closure in Summer 2020.

Due to isolation requirement and the partial closure Viewley Hill focused on ensuring pupil progress from individual outcomes. The vast majority of pupils achieved above expected progress rates, considering the significant amount of face to face lost learning for our pupils. This demonstrates good progress, despite pupil regression and lower than expected starting points.

2. Financial Governance and oversight of Academy's finances

The academy benefits from the provision of a suitably qualified Internal Auditor. The IA ensures a robust programme of monitoring is carried out. Throughout 2020-201 this was completed through one full day on site visit and 1 virtual compliance visit. This process interrogates internal systems and controls which ensure the appropriate management of financial procedures in the academy meet the criteria stated in the Academy's Financial Handbook.

Further to this, the Academy has completed year end accounts through an external audit carried out over four full on-site days and additional remote assessment. All systems and controls have again been found to be compliant.

Any large expenditure items are presented to the Board of Governors who decide the appropriateness of the spending suggested.

There have been no large expenditure items in the financial year 1st September 2020 – 31st August 2021 due to COVID-19 pandemic.

The academy's Governors approve the budget each year and also receive and approve the annual accounts and the External Auditors Management Report. Governors regularly review expenditure against budget and receive a monthly report from the Academy Business Manager. Minutes reflect robust challenge and questions regarding expenditure and income.

VIEWLEY HILL ACADEMY
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

3. Better Purchasing

Viewley Hill Academy operates a best value strategy for purchasing provision. Contracts and Service Level Agreements are reviewed on a regular basis to ensure that a competitive pricing structure is in place. Quality of service received is also continually reviewed and providers are challenged to deliver the highest standards. This identifies any areas requiring improvement or change with competitive comparisons carried out with local suppliers.

During 2020-21

- Change of energy supplier to secure existing costs as to remain with current provider would have resulted in an increase in costs.

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 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 Viewley Hill Academy for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the academy 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 ongoing process for identifying, evaluating and managing the academy's significant risks that has been in place for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees through the review of the Strategic Risk Register.

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks

The Board of Trustees has decided to buy-in an internal audit service from Azets.

VIEWLEY HILL ACADEMY
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The Risk and Control Framework (continued)

Further to this, the Academy has completed internal audit and all systems and controls have again been found to be compliant.

The internal auditors' role includes giving advice on financial and other matters and performing a range of checks on the academy's financial systems. In particular, the checks carried out in the current period cover the following aspects of academy business:

- Regularity & Compliance
- Insurances
- Risk Management
- Safeguarding
- Website Compliance
- Payment Procedures
- Budgeting & Financial Management

On a termly basis, the internal auditor reports to the Board of Trustees through the accounting officer on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and annually prepares a short annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The schedule of work has been delivered as planned, and no material control issues have been identified as a result of the reviewer's work. Recommendations for internal control improvements are raised from time to time, and procedures are put in place accordingly.

Review of effectiveness

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

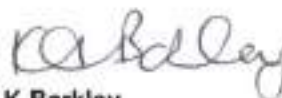
- the work of the external auditors;
- the work of the internal auditors;
- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 1 December 2021 and signed on their behalf by:



Rev K E Stone
Chair



K Barkley
Accounting Officer

VIEWLEY HILL ACADEMY
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Viewley Hill Academy I have considered my responsibility to notify the academy Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy, under the funding agreement in place between the academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

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

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



K Barkley
Accounting Officer
1 December 2021

VIEWLEY HILL ACADEMY
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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


- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Trustees and signed on its behalf by:



Rev K E Stone
Chair

Date: 1 December 2021

VIEWLEY HILL ACADEMY
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
VIEWLEY HILL ACADEMY**

Opinion

We have audited the financial statements of Viewley Hill Academy (the 'academy') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

VIEWLEY HILL ACADEMY
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
VIEWLEY HILL ACADEMY (CONTINUED)**

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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. 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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, the Trustees (who are also the directors of the academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

VIEWLEY HILL ACADEMY
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
VIEWLEY HILL ACADEMY (CONTINUED)**

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Our audit must be alert to the risk of manipulation of the financial statements and seek to understand the incentives and opportunities for management to achieve this.

We undertake the following procedures to identify and respond to these risks of non-compliance:

- Understanding the key legal and regulatory frameworks that are applicable to the Trust. We communicated identified laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit. We determined the most significant of these to be the regulations set out by the DfE/ESFA. Our audit focuses on financial matters as set out in our regularity opinion. Other key laws and regulations included safeguarding, Health & Safety, GDPR and employment law
- Enquiry of trustees and management as to policies and procedures to ensure compliance and any known instances of non-compliance
- Review of board minutes and correspondence with regulators
- Enquiry of trustees and management as to areas of the financial statements susceptible to fraud and how these risks are managed
- Challenging management on key estimates, assumptions and judgements made in the preparation of the financial statements. These key areas of uncertainty are disclosed in the accounting policies
- Identifying and testing unusual journal entries, with a particular focus on manual journal entries.

Through these procedures, we did not become aware of actual or suspected non-compliance.

We planned and performed our audit in accordance with auditing standards but owing to the inherent limitations of procedures required in these areas, there is an unavoidable risk that we may not have detected a material misstatement in the accounts. The further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve concealment, collusion, forgery, misrepresentations, or override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 Auditors' Report.

Use of our report

This report is made solely to the academy'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's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

VIEWLEY HILL ACADEMY
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
VIEWLEY HILL ACADEMY (CONTINUED)

Clive Owen

Kevin Shotton BA BFP FCA (Senior Statutory Auditor)

for and on behalf of
Clive Owen LLP

Chartered Accountants
and Statutory Auditors

140 Coniscliffe Road

Darlington

County Durham

DL3 7RT

3 December 2021

VIEWLEY HILL ACADEMY
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO VIEWLEY HILL ACADEMY AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 19 September 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Viewley Hill Academy during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Viewley Hill Academy's Accounting Officer and the reporting accountant

The accounting officer is responsible, under the requirements of Viewley Hill Academy's funding agreement with the Secretary of State for Education dated 18 December 2013 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Review of governing body and committee minutes;
- Review of termly Internal Assurance reports;
- Completion of self assessment questionnaire by Accounting Officer;
- Review documentation provided to Directors and Accounting Officer setting out responsibilities;
- Obtain formal letters of representation detailing the responsibilities of Directors;
- Review of payroll, purchases and expenses claims on a sample basis;
- Confirmation that the lines of delegation and limits set have been adhered to;
- Evaluation of internal control procedures and reporting lines;
- Review cash payments for unusual transactions;
- Review of credit card transactions;
- Review of registers of interests;
- Review related party transactions;

VIEWLEY HILL ACADEMY
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO VIEWLEY
HILL ACADEMY AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

- Review of borrowing agreements;
- Review of land and building transactions;
- Review of potential and actual bad debts;
- Review an instance of gifts/hospitality to ensure in line with policy;
- Review whistleblowing procedures;
- Review pay policy and factors determining executive pay;
- Review of staff expenses;
- Review other income to ensure is in line with funding agreement;
- Review governance structure and number of meetings held; and
- Review whether there is a risk register in place.

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Clive Owen

Reporting Accountant
Clive Owen LLP
Chartered Accountants
and Statutory Auditors
140 Coniscliffe Road
Darlington
County Durham
DL3 7RT

Date:

3/12/21

VIEWLEY HILL ACADEMY
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Income from:						
Donations and capital grants	3	2	-	12	14	23
Other trading activities		26	-	-	26	17
Charitable activities		8	1,676	-	1,684	1,520
Total income		36	1,676	12	1,724	1,560
Expenditure on:						
Charitable activities		21	1,673	93	1,787	1,687
Total expenditure		21	1,673	93	1,787	1,687
Net income/ (expenditure)		15	3	(81)	(63)	(127)
Transfers between funds	15	-	(22)	22	-	-
Net movement in funds before other recognised gains/(losses)		15	(19)	(59)	(63)	(127)
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	22	-	69	-	69	(230)
Net movement in funds		15	50	(59)	6	(357)
Reconciliation of funds:						
Total funds brought forward		70	(722)	2,568	1,916	2,273
Net movement in funds		15	50	(59)	6	(357)
Total funds carried forward		85	(672)	2,509	1,922	1,916

VIEWLEY HILL ACADEMY
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08803858

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £000	2020 £000
Fixed assets			
Tangible assets	12	2,509	2,568
		<u>2,509</u>	<u>2,568</u>
Current assets			
Debtors	13	97	65
Cash at bank and in hand		382	252
		<u>479</u>	<u>317</u>
Creditors: amounts falling due within one year	14	(130)	(77)
Net current assets		<u>349</u>	<u>240</u>
Total assets less current liabilities		<u>2,858</u>	<u>2,808</u>
Net assets excluding pension liability		<u>2,858</u>	<u>2,808</u>
Defined benefit pension scheme liability	22	(936)	(892)
Total net assets		<u><u>1,922</u></u>	<u><u>1,916</u></u>

VIEWLEY HILL ACADEMY
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08803858

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021

	Note	2021 £000	2020 £000
Funds of the academy			
Restricted funds:			
Fixed asset funds	15	2,509	2,568
Restricted income funds	15	264	170
		<hr/>	<hr/>
Restricted funds excluding pension asset	15	2,773	2,738
Pension reserve	15	(936)	(892)
		<hr/>	<hr/>
Total restricted funds	15	1,837	1,846
Unrestricted income funds	15	85	70
		<hr/>	<hr/>
Total funds		<u>1,922</u>	<u>1,916</u>

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 25 to 53 were approved by the Trustees, and authorised for issue on 01 December 2021 and are signed on their behalf, by:



Rev K E Stone
Chair

VIEWLEY HILL ACADEMY
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £000	2020 £000
Cash flows from operating activities			
Net cash provided by operating activities	17	152	78
Cash flows from investing activities	18	(22)	12
Change in cash and cash equivalents in the year		130	90
Cash and cash equivalents at the beginning of the year		252	162
Cash and cash equivalents at the end of the year	19, 20	<u>382</u>	<u>252</u>

The notes on pages 29 to 53 form part of these financial statements

VIEWLEY HILL ACADEMY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgments and key sources of estimation uncertainty, is set out below.

1.1 Basis of preparation of financial statements

The financial statements of the academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy 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 has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

All income is recognised once the academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

• **Grants**

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the Balance Sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

• **Donations**

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

• **Other income**

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

VIEWLEY HILL ACADEMY
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. Accounting policies (continued)

1.3 Income (continued)

- **Donated fixed assets (excluding transfers on conversion or into the academy)**

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

1.4 Expenditure

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

- **Charitable activities**

Expenditure on charitable activities are costs incurred on the academy's educational operations, including support costs and those costs relating to the governance of the academy appointed to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

1.5 Tangible fixed assets

Assets costing £3,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these asset, less their estimated residual value, over its expected useful lives on the following basis:

VIEWLEY HILL ACADEMY
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. Accounting policies (continued)

1.5 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

Long-term leasehold property	- 50 years
Long-term leasehold land	- 125 years
Fixtures and fittings	- 3 - 4 years
Computer equipment	- 2 years

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

1.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the academy; this is normally upon notification of the interest paid or payable by the Bank.

1.7 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

1.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.10 Liabilities and provisions

Liabilities and provisions 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 anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.11 Financial instruments

The academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy and their measurement bases 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 13. 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 14. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.12 Taxation

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

1.13 Pensions

Retirement benefits to employees of the academy are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.14 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy 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 with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

2. Critical accounting estimates and areas of judgment

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, 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 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Depreciation – Depreciation is calculated so as to write off the cost of an asset, less its residual value, over the economic life of that asset. An estimate of the useful life of assets is detailed in the depreciation accounting policy. The value of depreciation charge during the year was £93,000.

Critical areas of judgment:

Land – Land is held under a 125 year lease from Middlesbrough Borough Council. These assets are included on the balance sheet of the academy due to the significant risks and rewards of ownership belonging to the academy, the lease term being the major part of the economic life of the assets and the assets being of such a specialised nature that only the academy could use them without major modification.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

3. Income from donations and capital grants

	Unrestricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Donations	2	5	7	4
Capital Grants	-	7	7	19
	<u>2</u>	<u>12</u>	<u>14</u>	<u>23</u>
Total 2020	<u>4</u>	<u>19</u>	<u>23</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

4. Funding for the academy's educational operations

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
DfE/ESFA grants				
General Annual Grant (GAG)	-	1,203	1,203	1,098
Other DfE/ESFA grants				
Pupil Premium	-	200	200	191
PE and Sport Premium	-	18	18	18
UFSM	-	14	14	28
Rates	-	4	4	4
Teachers' pay grant	-	14	14	5
Teachers' pension grant	-	39	39	38
Other DfE Group grants	-	7	7	8
Non Government non grant income	-	-	-	2
	-	-	1,499	1,392
Other Government grants				
SEN	-	13	13	8
Early Years Funding	-	101	101	95
Other Local Authority Grants	-	43	43	14
	-	157	157	117
Other income from the academy's academy's educational operations	8	-	8	11
COVID-19 additional funding (DfE/ESFA)				
Catch-up Premium	-	20	20	-
	-	20	20	-
	8	1,676	1,684	1,520
Total 2020	11	1,509	1,520	

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the academy's funding for Teachers Pension Grants no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

The academy received £20k of catch-up premium and the costs incurred in respect of this funding totalled £20k.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

5. Income from other trading activities

	Unrestricted funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Non student catering income	-	-	1
Receipts from supply teaching insurance claims	12	12	12
Other	14	14	4
	<u>26</u>	<u>26</u>	<u>17</u>

All income from other trading activities was attributable to unrestricted funds for the year ended 31 August 2020.

6. Expenditure

	Staff Costs 2021 £000	Premises 2021 £000	Other 2021 £000	Total 2021 £000	Total 2020 £000
Academy's educational operations:					
Direct costs	1,146	-	101	1,247	1,186
Allocated support costs	123	233	184	540	501
	<u>1,269</u>	<u>233</u>	<u>285</u>	<u>1,787</u>	<u>1,687</u>
Total 2020	<u>1,196</u>	<u>191</u>	<u>300</u>	<u>1,687</u>	

In 2021, of the total expenditure, £21,000 (2020 - £24,000) was to unrestricted funds and £1,766,000 (2020 - £1,558,000) was to restricted funds.

There were not individual transactions exceeding £5,000 for:

- Compensation payments
- Gifts made by the academy
- Fixed asset losses
- Stock losses
- Unrecoverable debts
- Cash losses

There were no ex-gratia payments in the year.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

7. Analysis of expenditure by activities

	Activities undertaken directly 2021 £000	Support costs 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Academy's educational operations	1,247	540	1,787	1,687
Total 2020	1,186	501	1,687	

Analysis of direct costs

	Total funds 2021 £000	Total funds 2020 £000
Staff costs	1,167	1,073
Educational supplies	47	84
Staff development	7	4
Technology costs	7	6
Educational consultancy	19	19
	1,247	1,186

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2021 £000	Total funds 2020 £000
Net interest cost on pension scheme	15	11
Staff costs	102	123
Depreciation	93	105
Technology costs	26	21
Supply insurance	18	11
Maintenance of premises	39	16
Cleaning	61	46
Other premises costs	12	12
Energy	26	24
Rent and rates	5	4
Insurance	8	9
Operating lease rentals	6	6
Catering	90	80
Legal costs - other	-	1
Security	2	2
Other costs	17	12
Governance costs	20	18
	<u>540</u>	<u>501</u>

8. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2021 £000	2020 £000
Operating lease rentals	6	6
Depreciation of tangible fixed assets	93	105
Fees paid to auditors for:		
- audit	7	6
- other services	2	4
	<u>100</u>	<u>115</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

9. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021 £000	2020 £000
Wages and salaries	878	813
Social security costs	76	69
Pension costs	286	244
	<u>1,240</u>	<u>1,126</u>
Agency staff costs	29	70
	<u>1,269</u>	<u>1,196</u>

b. Non-statutory/non-contractual staff severance payments

Included in pension costs is a charge of £98,000 (2020 : £69,000) relating to the pension deficit actuarial adjustment.

c. Staff numbers

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

	2021 No.	2020 No.
Teachers	10	10
Administration and support	27	26
Management	4	4
	<u>41</u>	<u>40</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

9. Staff (continued)

d. Higher paid staff

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

	2021 No.	2020 No.
In the band £60,001 - £70,000	1	1

e. Key management personnel

The key management personnel of the academy comprise the Trustees and the Senior Leadership Team as listed on page 1. 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 was £285,000 (2020: £278,000).

10. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

	2021 £000	2020 £000
H C Malbon, Accounting Officer - Resigned 31 August 2020	-	65 - 70
	Pension contributions paid	15 - 20
K Barkley, Accounting Officer - Appointed 1 September 2020	65 - 70	-
	Pension contributions paid	15 - 20

During the year ended 31 August 2021, no Trustee expenses have been incurred (2020 - £NIL).

11. Trustees' and Officers' insurance

In accordance with normal commercial practice, the academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost of this insurance is included in the total insurance cost.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

12. Tangible fixed assets

	Land & Leasehold property £000	Fixtures and fittings £000	Computer equipment £000	Total £000
Cost or valuation				
At 1 September 2020	2,857	144	79	3,080
Additions	-	29	5	34
At 31 August 2021	2,857	173	84	3,114
Depreciation				
At 1 September 2020	363	79	70	512
Charge for the year	56	26	11	93
At 31 August 2021	419	105	81	605
Net book value				
At 31 August 2021	2,438	68	3	2,509
At 31 August 2020	2,494	65	9	2,568

13. Debtors

	2021 £000	2020 £000
VAT recoverable	35	9
Prepayments and accrued income	62	56
	97	65

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

14. Creditors: Amounts falling due within one year

	2021 £000	2020 £000
Trade creditors	72	21
Other taxation and social security	19	17
Other creditors	21	20
Accruals and deferred income	18	19
	<u>130</u>	<u>77</u>
	2021 £000	2020 £000
Deferred Income		
Deferred income at 1 September 2020	12	13
Resources deferred during the year	11	12
Amounts released from previous periods	(12)	(13)
Deferred income at 31 August 2020	<u>11</u>	<u>12</u>

Deferred income includes free school meals funding and rates relief which relates to the following academic year.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

15. Statement of funds

	Balance at 1 September 2020 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2021 £000
Unrestricted funds						
Unrestricted general funds	70	36	(21)	-	-	85
Restricted general funds						
General Annual Grant (GAG)	168	1,203	(1,087)	(22)	-	262
Pupil Premium	-	200	(200)	-	-	-
SEN	-	13	(13)	-	-	-
Other DfE/ESFA grants	2	132	(132)	-	-	2
Other Government grants	-	108	(108)	-	-	-
Catch-up Premium	-	20	(20)	-	-	-
Pension reserve	(892)	-	(113)	-	69	(936)
	<u>(722)</u>	<u>1,676</u>	<u>(1,673)</u>	<u>(22)</u>	<u>69</u>	<u>(672)</u>
Restricted fixed asset funds						
Inherited on conversion	2,374	-	(54)	-	-	2,320
DfE/ESFA Capital grants	24	7	(9)	-	-	22
Capital expenditure from GAG	63	-	(25)	22	-	60
CIF	107	-	(3)	-	-	104
ESFA Donations	-	5	(2)	-	-	3
	<u>2,568</u>	<u>12</u>	<u>(93)</u>	<u>22</u>	<u>-</u>	<u>2,509</u>
Total Restricted funds	<u>1,846</u>	<u>1,688</u>	<u>(1,766)</u>	<u>-</u>	<u>69</u>	<u>1,837</u>
Total funds	<u>1,916</u>	<u>1,724</u>	<u>(1,787)</u>	<u>-</u>	<u>69</u>	<u>1,922</u>

VIEWLEY HILL ACADEMY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

15. Statement of funds (continued)

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

The General Annual Grant (GAG) must be used for the normal running of the academy including salaries and related costs, overheads, repairs and maintenance, and insurance.

Pupil Premium is additional funding to be spent as the school sees fit to support deprived students.

Universal Infant Free School Meals (included within Other DfE/ESFA Grants) is funding to provide a free school lunch to all pupils in reception, year 1 and year 2.

Other DfE/ESFA Grants also includes the PE and sport premium grant, rates relief, teachers' pay grant and teachers' pension grant.

Catch-up premium is used to fund specific activities to support the pupils' education recovery

Other Government grants include Early Years funding for three and four year old children, funding for pupils with Special Educational Needs and other income from the local authority.

The pension reserves is the liability due to the deficit on the Local Government Pension Scheme. Further details are shown in note 22.

The restricted fixed asset funds represent monies received to purchase fixed assets. Depreciation is charged against each fund over the useful economic life of the associated assets.

Unrestricted funds include the income from uniform sales, school trips and catering with the relevant costs allocated accordingly.

Transfers have been made from the GAG to fixed asset funds in relation to capital assets acquired through GAG.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2021.

VIEWLEY HILL ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

15. Statement of funds (continued)

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

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2020 £000
Unrestricted funds						
Unrestricted general funds	62	32	(24)	-	-	70
Restricted general funds						
General Annual Grant (GAG)	127	1,098	(1,069)	12	-	168
Pupil Premium	-	191	(191)	-	-	-
Other DfE/ESFA grants	-	101	(99)	-	-	2
SEN	-	8	(8)	-	-	-
Other Government grants	-	109	(109)	-	-	-
Catch-up Premium	-	2	(2)	-	-	-
Pension reserve	(582)	-	(80)	-	(230)	(892)
	(455)	1,509	(1,558)	12	(230)	(722)
Restricted fixed asset funds						
Inherited on conversion	2,428	-	(54)	-	-	2,374
DfE/ESFA Capital grants	26	7	(9)	-	-	24
Capital expenditure from GAG	103	-	(40)	-	-	63
CIF	109	12	(2)	(12)	-	107
	2,666	19	(105)	(12)	-	2,568
Total Restricted funds	2,211	1,528	(1,663)	-	(230)	1,846
Total funds	2,273	1,560	(1,687)	-	(230)	1,916

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000
Tangible fixed assets	-	-	2,509	2,509
Current assets	85	394	-	479
Creditors due within one year	-	(130)	-	(130)
Provisions for liabilities and charges	-	(936)	-	(936)
Total	85	(672)	2,509	1,922

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000
Tangible fixed assets	-	-	2,568	2,568
Current assets	70	247	-	317
Creditors due within one year	-	(77)	-	(77)
Provisions for liabilities and charges	-	(892)	-	(892)
Total	70	(722)	2,568	1,916

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

17. Reconciliation of net expenditure to net cash flow from operating activities

	2021 £000	2020 £000
Net expenditure for the year (as per Statement of Financial Activities)	(63)	(127)
Adjustments for:		
Depreciation	93	105
Capital grants from DfE and other capital income	(7)	(19)
Defined benefit pension scheme cost less contributions payable	98	69
Defined benefit pension scheme finance cost	15	11
(Increase)/decrease in debtors	(32)	24
Increase in creditors	53	15
Capital funding received from donations	(5)	-
Net cash provided by operating activities	152	78

18. Cash flows from investing activities

	2021 £000	2020 £000
Purchase of tangible fixed assets	(29)	(7)
Capital grants from DfE Group	7	19
Net cash (used in)/provided by investing activities	(22)	12

19. Analysis of cash and cash equivalents

	2021 £000	2020 £000
Cash in hand and at bank	382	252
Total cash and cash equivalents	382	252

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**NOTES TO THE FINANCIAL STATEMENTS
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20. Analysis of changes in net debt

	At 1 September 2020 £000	Cash flows £000	At 31 August 2021 £000
Cash at bank and in hand	252	130	382
	<u>252</u>	<u>130</u>	<u>382</u>

21. Capital commitments

	2021 £000	2020 £000
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	-	5
	<u>-</u>	<u>5</u>

22. Pension commitments

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 Middlesbrough Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £21,000 were payable to the schemes at 31 August 2021 (2020 - £20,000) and are included within creditors.

Teachers' Pension Scheme

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

The TPS is an unfunded scheme to which both 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.

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NOTES TO THE FINANCIAL STATEMENTS
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22. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £130,000 (2020 - £126,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £77,000 (2020 - £65,000), of which employer's contributions totalled £58,000 (2020 - £49,000) and employees' contributions totalled £ 19,000 (2020 - £16,000). The agreed contribution rates for future years are 17.5 per cent for employers and 5.5-8.5 per cent for employees.

As described in note the LGPS obligation relates to the employees of the academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy at the balance sheet date.

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.

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**NOTES TO THE FINANCIAL STATEMENTS
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22. Pension commitments (continued)

Principal actuarial assumptions

	2021 %	2020 %
Rate of increase in salaries	3.60	3.30
Rate of increase for pensions in payment/inflation	2.60	2.30
Discount rate for scheme liabilities	1.70	1.70
Inflation assumption (CPI)	2.60	2.30
Commutation of pensions to lump sums	80.00	80.00

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

	2021 Years	2020 Years
Retiring today		
Males	21.9	21.8
Females	23.6	23.5
Retiring in 20 years		
Males	23.3	23.2
Females	25.4	25.3

Sensitivity analysis

	2021 £000	2020 £000
Discount rate +0.1%	(57)	(48)
Discount rate -0.1%	59	5
Mortality assumption - 1 year increase	(86)	(7)
Mortality assumption - 1 year decrease	86	72
CPI rate +0.1%	52	44
CPI rate -0.1%	(50)	(43)

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22. Pension commitments (continued)

Share of scheme assets

The academy's share of the assets in the scheme was:

	2021 £000	2020 £000
Equities	1,058	791
Property	98	83
Cash and other liquid assets	111	121
Other	71	46
Total market value of assets	1,338	1,041

The actual return on scheme assets was £230,000 (2020 - £44,000).

The amounts recognised in the Statement of Financial Activities are as follows:

	2021 £000	2020 £000
Current service cost	(156)	(118)
Interest income	18	18
Interest cost	(33)	(29)
Total amount recognised in the Statement of Financial Activities	(171)	(129)

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

	2021 £000	2020 £000
At 1 September	1,933	1,524
Current service cost	156	118
Interest cost	33	29
Employee contributions	19	16
Actuarial losses	143	256
Benefits paid	(10)	(10)
At 31 August	2,274	1,933

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22. Pension commitments (continued)

Changes in the fair value of the academy's share of scheme assets were as follows:

	2021 £000	2020 £000
At 1 September	1,041	942
Expected return on assets	18	18
Actuarial gains	212	26
Employer contributions	58	49
Employee contributions	19	16
Benefits paid	(10)	(10)
At 31 August	<u>1,338</u>	<u>1,041</u>

23. Operating lease commitments

At 31 August 2021 the academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £000	2020 £000
Amounts Payable:		
Within one year	6	7
Between one and five years	-	5
Total	<u>6</u>	<u>12</u>

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24. Related party transactions

Owing to the nature of the academy and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy's financial regulations and normal procurement procedures relating to connected and related party transactions.

There were no transactions either in 2020 or 2021.