



# VISION ACADEMY LEARNING TRUST

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# VISION ACADEMY LEARNING TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Members

L Brown  
Dr Hall  
A Mcdowell  
S Dodds  
J Waugh (OBE)

### Trustees

K van der Graaf  
J Graham  
C Irving (Chair)  
R Long  
J McGuire  
J Richards (Resigned 31 May 2020)  
S White (Accounting Officer)  
D M Blake (Resigned 22 June 2020)  
E Marshall  
A Ankers (Appointed 13 January 2020)  
Mr M Ord (Appointed 22 October 2020)

### Senior management team

- Headteacher (Egglescliffe School) and Accounting Officer	Simon White
- Financial Director (Egglescliffe School)	Jill Turner
- Executive Headteacher (Junction Farm Primary School)	Karen Norton
- Headteacher (The Links Primary School)	Louise Daly
- Headteacher (Chandlers Ridge Academy)	Louise Lidgard
- Headteacher (Whinstone Primary School)	Mike Poppitt
- Head of School (Egglescliffe)	Lindsay Oyston
- Headteacher (Laurence Jackson School)	Catherine Jukes

### Company secretary

Prima Secretary Limited

### Company registration number

10249712 (England and Wales)

### Registered office

Egglescliffe Secondary School  
Urlay Nook Road  
Stockton on Tees  
TS16 0LA

### Academies operated

Egglescliffe School  
The Links Primary School  
Junction Farm Primary School  
Chandler's Ridge Academy  
Whinstone Primary School  
Laurence Jackson School  
Teaching Alliance

### Location

Eaglescliffe  
Eaglescliffe  
Eaglescliffe  
Middlesbrough  
Ingleby Barwick  
Guisborough

### Principal

Simon White  
Louise Daly  
Karen Norton  
Louise Lidgard  
Mike Poppitt  
Catherine Jukes

# VISION ACADEMY LEARNING TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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**Independent auditor**

Azets Audit Services  
Wynyard Park House  
Wynyard Avenue  
Wynyard  
Billingham  
TS22 5TB

**Bankers**

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

**Solicitors**

Womble Bond Dickinson  
St Ann's Wharf  
112 Quayside  
Newcastle upon Tyne  
Tyne & Wear  
NE1 3DX

# VISION ACADEMY LEARNING TRUST

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2020

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The trustees present their annual report together with the accounts and independent auditor's report of the charitable company for the period 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust is a Multi-Academy Trust ("MAT") which during the period operated with 6 schools. Egglecliffe Secondary school & Sixth Form, The Links Primary school, Junction Farm Primary school and Whinstone Primary school served the catchment area of Stockton South, Chandlers Ridge Academy served Nunthorpe and Middlesbrough, and Laurence Jackson School who joined in February 2020 served the Redcar and Cleveland area.

The MAT has a capacity of: Nursery: AM- 117 Nursery PM – 117, Ages 5 to 16 - 4,035 and Sixth Form 400  
The roll in the January 2020 census was Nursery AM 94 Nursery PM 94, total pupil numbers 4,125 including Sixth Form 340 (These pupil numbers include Laurence Jackson School who joined the Trust in February 2020).

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

##### Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The trustees of VALT are also the Directors of the charitable company for the purposes of company Law. The charitable company operates as Vision Academy Learning Trust.

Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

##### Members' liability

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

The Trust is part of the Risk Management Arrangement (RPA), provided by the government which protects trustees from claims arising against negligent acts, errors or omissions occurring whilst on Trust Business.

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

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

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

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

- The number of trustees shall not be less than three:
- Up to 11 trustees appointed under article 46:
- Any co-opted trustees appointed under article 58

# VISION ACADEMY LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### *FOR THE YEAR ENDED 31 AUGUST 2020*

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

Future trustees shall be appointed or elected, as the case may be, under these articles, the total number of trustees who are employees of the Academy Trust shall not exceed one third of the total number of trustees. Provision has been made for the election and appointment of 2 parent governors on the Local Governing Body ("LGB").

The Trust has sought to build up the capacity of the Trust during the year, in particular in public relations, marketing and finance areas. We successfully recruited expertise onto the board, with a financial skillset. As the Trust continues to expand there is a priority over the next 12 months to enhance the board with high level educational expertise.

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

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

# VISION ACADEMY LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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#### Organisational structure

The Trust has operated with a Trust Board and a further 3 committees, to manage specific areas of its remit. The Trust Board meets six times a year. The Trust provides the strategic oversight and decisions for the Multi Academy Trust.

Each School retains an LGB/C and in addition to this, the Governors can establish working groups/challenge meetings to inform on school /academy improvement. The committee terms of reference are set out in our Governance Handbook, and scheme of delegation and reviewed annually.

The annual budget is submitted to the trustees for approval, prior to submission to the Education and Skills Funding Agency (ESFA), and the Board also receives regular reports on Trust spend along with scrutiny through the Finance and Resources Committee.

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

#### Staffing

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

#### Finance

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

#### Risk Management

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

#### Engagement with other stakeholders

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

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

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

The Trust currently pays into facility time arrangements in the following local authorities: Stockton on Tees, Middlesbrough and Redcar and Cleveland.

# VISION ACADEMY LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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### Trade union facility time

#### *Relevant union officials*

Number of employees who were relevant union officials during the relevant period	4
Full-time equivalent employee number	0.009

#### *Percentage of time spent on facility time*

Percentage of time	Number of employees
0%	1
1%-50%	-
51%-99%	-
100%	-

#### *Percentage of pay bill spent on facility time*

Total cost of facility time	£3,099
Total pay bill	£15,901,801
Percentage of the total pay bill spent on facility time	0.019%

#### *Paid trade union activities*

Time spent on paid trade union activities as a percentage of total paid facility time hours	1.94%
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### Related parties and other connected charities and organisations

During the year the Trust made the following recharges to VALT Enterprises Ltd, a wholly owned subsidiary company with a number of Trustees in common. No Directors, Trustees or senior management receive any additional compensation or a second salary as a result of this arrangement. The principal activity of VALT Enterprises Ltd was the operation of Laurence Jackson Leisure centre. However, the revenue and operational activity were severely impacted by the closure of this centre due to COVID 19. During the year £ 42K recharge of costs were processed and at the year end a balance of £10K was due to Vision Academy Learning Trust.



# VISION ACADEMY LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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#### **Objectives and activities**

##### Objects and aims

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

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

##### **Ethos and Values**

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

##### **Collaboration and partnership**

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

##### **Aspiration and excellence**

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

##### **Accountability**

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

# VISION ACADEMY LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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#### Objectives, strategies and activities

The Trust has expanded during 2019/20. On 1st February 2020 Laurence Jackson school joined the Trust as a sponsored school. The school is also part of the Government ONE Vision project.

A major task has been to integrate the school into the Trust and develop common support systems to provide value for money and Trust support. The Trust with the support of the ONE Vision Programme has developed a vision and plan which will support the school and the performance of students

On the conversion of this school, it was also the opportunity for the Trust to set up a separate trading subsidiary to manage the leisure centre and other trading activities. This organisation is a wholly owned subsidiary of the trust and is a limited Company with VAT Registration. Its name is VALT Enterprises.

The Board focused on five key priorities during 2019 – 2020:

1. Our school's centres of excellence – This focused on:
  - Ensuring outstanding Safeguarding through trust wide training and school safeguarding reviews
  - Targeted improvement with focus on Year 6: secure positive CRWM, higher standard in writing, reading and maths (all, PP and SEND)
  - Targeted improvement with a focus on Year 11 to ensure positive progress scores for all, middle ability, pupil premium, boys and the open group.
  - Developing a common progress and tracking system across the primary schools.
  - Embed Trust wide primary moderation focused on early years, writing and maths.
2. Collaboration within the trust. This included the following strategies and activities
  - Ensure common format for a Trust wide SEF and SIP
  - Develop subject leadership through actions, data accuracy, reporting and SBP and resources
  - Develop bespoke CPD opportunities to meet individuals / organisational needs
  - Develop sharing best practice across the 4 primary schools.
  - Curriculum and wider experience for the students across the Trust.
3. Financial stability and operational strength through:
  - Compliance with the Master Funding Agreement and Financial handbook
  - Completing a detailed financial due diligence of risks and opportunities
  - Analysing and implementing potential shared central services and agreements
  - Investigate additional funding opportunities to support identified projects
  - Continue to pursue additional capital funding
4. Leadership and governance
  - The roles and responsibilities of Trustees embedded through board meetings with a focus on school accountability and development of the Strategic plan.
  - Statutory policies have been developed, agreed and implemented and published on the Trust website
  - Strategic plan reviewed at every Board meeting to ensure progress in all KPI's
5. MAT stability and future growth
  - The Board ensured the MAT policies and procedures were reviewed and approved.
  - Continued development of relationships with other providers continued through a DfE Sponsor application, Teaching Alliance and NLE network and TVCA.
  - The Board approved the opportunity to support another MAT for 2 terms and to develop a growth strategy for 2019-2020.

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

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

# VISION ACADEMY LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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#### COVID 19

Due to the exceptional circumstances of COVID: 19, the Trust strategic plan was updated in March along with the latest KPI information. Trustees were updated on the COVID position and strategy on 31st March.

Trustees received a report on the 24th April setting out the position for each school including the safeguarding, attendance, provision for vulnerable, SEND and key worker children. Reports also included detail on the central team operation, financial update and health and safety.

Since the official closure date for all schools / academies, all VISION Academy Learning Trust schools were open for vulnerable students, EHCP students and key worker children. During the Easter holiday, all schools within the Trust continued to operate with a rotating skeleton staff with covid 19 safe practices in place with attendance figures sent to DfE website daily. Each school had a clear procedure to contact each parent / carer of vulnerable and EHCP students at least weekly. Some are also having daily emails. All local authority returns have been completed.

Home learning was well received by parents and this incorporated a mixture of online platforms and work packs. Staff regularly phoned and contacted children to keep up to date with how they were. We had a large uptake of phased returns in June and a large uptake for key worker groups. These all went very smoothly and the children thoroughly enjoyed this time. With these groups, we mainly focussed on Maths and English and recovery and support.

All schools have robust safeguarding policies in place and due to covid 19, all safeguarding and child protection policies were updated with the new procedures being undertaken for vulnerable students.

The Department for Education published 'Opening schools and educational settings to more pupils from 1st June' guidance to schools on 11th May. Each primary school sent parents/carers letters regarding the government's intention to re-open schools from 1st June. Parents/carers with children in Nursery, reception, year 1 and year 6 were asked to indicate whether they would be sending their children back to school. The secondary schools took the decision to have face to face recap sessions with Year 10 and 12. Each school developed a clear plan to phase the introduction of children back based on the numbers intending to return, their physical environments, available staff and number of key worker and vulnerable children. All Schools fully met the government's intention to open for all identified year groups.

As a Trust, we have ensured a Trust wide risk assessment is in place and on-site visits from the Trust Premise Manager have taken place. Each school also completed a school-based risk assessment.

Trustees received monthly updates on student numbers attending, curriculum offer in school, home learning provision, points of success and provisional plans for September reopening.

The secondary schools completed a virtual Year 6 into 7 video with supporting materials, key staff presentations and learning exercises to support their transition. This was replicated for Eggescliffe Sixth Form to support the new Year 12 students.

#### Health and Safety

Caretakers / Cleaners in all schools / academies worked on a shift or rota system to ensure all health and safety measures were met, maintaining safe distances and using appropriate PPE. All areas used each day are fully cleaned with anti-bactericidal cleaners. Refresher health and safety training was undertaken

#### Communication

In line with the covid 19 requirements, all face to face meetings were cancelled. The CEO, held regular meetings with each Head Teacher to gather their local position and offer support.

# VISION ACADEMY LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2020**

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### Public benefit

Both Junction Farm and Eggescliffe School are named schools in the Campus Stockton Teaching Alliance. Head Teachers at Junction Farm and Eggescliffe are National Leaders of Education and have delivered individual school to school support. The secondary NLE worked with a school within the DFE ONE Vision programme and this school transferred into the Trust in February 2020

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

## **Strategic report**

### **Achievements and performance**

#### Exam Results

##### **Key Stage 1 and 2**

- Following the government's decision there were be no phonics tests in year 1, no Year 2 tests, no Multiplication tests in year 4 and no year 6 tests. Schools will be required to submit teacher assessments for Year 6 students.

##### **Keys Stage 4 and 5 (GCSE, Vocational and A Level)**

Due to the COVID 19 and the closure of schools, the Department for Education cancelled all key stage 4 and 5 examinations. Both Eggescliffe and Laurence Jackson implemented a robust procedure as outlined by Ofqual, to form a 'Centre Assessment Grade' for every student in each of their subjects.

The centre assessment grades were based on a range of evidence-based sources of evidence such as: classwork; bookwork; participation in performances; non-exam assessment; results of any assignments or mock exams. The distribution of centre assessed grades were then aligned to the previous 2 years of results. Once complete a rank order of students within each grade for each subject was given. The exam boards were then to apply an algorithm to finalise grades. However, after the publication of the A level results (based on the algorithm, the Government made the decision to revert back to centre assessed grades for both A level and GCSE grades.

#### Schools/Academies in Vision Academy Learning Trust

##### Chandlers Ridge Academy

Chandlers Ridge joined the Trust in 2017 as a sponsored school due to a 'Requires Improvement' Ofsted judgement.

The school improvement strategy has ensured the results have rapidly improved and in 2018 and 2019 achieved outcomes in the top 5% nationally. Despite no formal testing or results in 2020, further improvements have been made developing the curriculum, emotional wellbeing and metacognition with teaching and learning.

Chandlers Ridge continues to offer a broad and balanced curriculum and places value on the arts, music and sport

# VISION ACADEMY LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2020*

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### Junction Farm

Junction Farm joined the Trust in 2016 as a converter school. The current Ofsted Judgement is Outstanding. The school has an Enhanced Mainstream School provision for SEN children with specific needs.

The school has ensured the results continue to improve and in 2019 achieved Key Stage 2 outcomes in the top 25% for maths and 40% for writing. Despite no formal testing or results in 2019 improvements have been focused on Reading.

The school places an emphasis on curriculum development and as such curriculum leaders focus on a skill based led curriculum with Learning journeys within subject areas.

### The Links Primary School

The Links joined the Trust in 2016 as a converter school. The January 2009 Ofsted inspection judgement was Outstanding. Our current self-evaluation is Good.

Pupils attain highly at The Links Primary in all phases. Attainment in EYFS, KS1 and KS2 is now above National averages. Progress is outstanding in reading and good in writing. Mathematic progress has been a key focus and in 2018 Mathematics was in the top 25% of schools and the top 40% in 2019. This progress has continued in 2020.

Curriculum development has been a key focus and as such progressive, skill-based curriculums have been put in place for all curriculum subjects with objectives and skills taught from Nursery to Year 6.

### Whinstone Primary School

Whinstone joined the Trust in 2017 and Ofsted Judged the school as Good in January 2016.

Pupils attain well at Whinstone Primary in all phases. Progress is average in reading and maths and above average writing. Mathematic progress has been a key focus and in 2018 Mathematics was in the top 25% of schools and the top 40% in 2019. This progress has continued in 2020.

To support improvements in outcomes, the school has undertaken an overhaul of the curriculum to enable key concepts and skills to be taught through identified topics and content enabling better-sequenced and enhanced learning opportunities.

# VISION ACADEMY LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2020**

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### Egglescliffe School and Sixth Form College

Egglescliffe School joined the Trust in 2016 as a converter school. The January 2013 Ofsted inspection judgement was Outstanding. The school was featured in the Sunday Times Schools Guide in November 2019 and was placed 1st on Teesside, 9th in the North East and 358th in the country and continues to be featured in national Good Schools Guide.

The schools achieves well with positive progress. The GCSE 3 year average attainment 8 figure is 55.44 with the Basics measure (grade 4+ in English and maths = 82%. The good pass Basic 3 year average figure of 62%. An average of 130 grade 9s are awarded each year. Particularly strong outcomes in humanities, music, BTEC HSC and chemistry. The post 16 outcomes are strong with positive progress and a 3 year average figures: A\*/A 32%, A\*/B 62%, A\*/C 88%.

In October 2019, a new sixth form block 'Collins' was opened by Dr Andy Aldrin as part of a three year partial rebuild programme. The reputation for musical excellence continues and the school received the History Quality Mark for outstanding curriculum, provision and opportunities.

During 2019-2020, the curriculum has been further enhanced by reviewing crucial knowledge, sequencing of learning and embedding retrieval and recall practice.

### Laurence Jackson School

Following an Ofsted inadequate judgement in February 2019, Laurence Jackson school was issued with an academisation order and formally joined Vision Academy Learning Trust as a sponsored academy in February 2020. The school is also part of the DfE One Vision Opportunity North East project.

The outcomes are well below average. In 2019, the progress figure was -0.67 and the attainment 8 figure was 45.2. The Basics measure (grade 4+ in English and maths was 45% and the good pass Basic figure was 37%.

Since joining the Trust in February 2019, a focus on enhancing key stage 3 and 4 curriculum has been prioritised to ensure quality schemes of learning, highlighting crucial knowledge, sequencing of learning, recall practice and accurate assessment. The DfE ONE Vision initiative has also supported improvements in behaviour, attendance and leadership accountability.

### Key performance indicators

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

Financial performance indicators include;

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

For the period 1st September 2019 to 31st August 2020, statutory external audit has been provided via Azets Audit Services and internal audit via Azets Accountants (different staff to those undertaking the annual audit).

# VISION ACADEMY LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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#### Going concern

The board of trustees has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the next two years. As a result of COVID 19 lost revenue and increases in expenditure Year 2 is showing a deficit position in 2 of the Trust schools. Reviews of both staffing and curriculum will be undertaken during the next year. The continued uncertainty over funding of Academies and in particular the continuation of the pay and pension grants make it very difficult for this reason the Trust has asked t accurately forecast.

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

#### **Financial review**

The grants received from the ESFA and associated expenditure from 1 September 2019 to 31 August 2020 are shown as restricted funds in the Statement of Financial Activities.

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

The net deficit for the period was £172,384 (excluding depreciation, capital income, LGPS movements and conversion balances).

At 31 August 2020 the net book value of fixed assets was £11,898,629. Movements in tangible fixed assets are shown in the financial statements. The assets are used primarily for providing the Trust's educational operations and associated support to students.

The majority of the Trusts income is obtained via the ESFA, to be used for the purpose outlined under the funding agreement. Due to the increases in pension costs, pay increases and NJC Scales, we have continued to incorporate the use of integrated curriculum financial planning. An SMRA visit to the trust was also undertaken during the year which detailed a 3 year potential savings of £55K across the trust. The Trust is undertaking reviews of the areas of expenditure highlighted in this report .

COVID 19 had a significant impact on both the income and expenditure of the Trust. Loss of income from catering, wraparound provisions and extended school activities reduced the income significantly and the continuance of payments to staff and PPN02 requirements did not lead to a similar reduction in expenditure. Some additional expenditure was reclaimed from the ESFA from the COVID grant but this did not cover items such as Perspex screening and loss of income.

An actuarial loss of £3,243,000 has arisen this year. With other movements including the addition of a new academy, the LGPS pension deficit has increased to £9,980,000. This deficit is planned to be eliminated over a period of 20 years by increased employer's contribution. Further details of the actuarial valuation and assumptions are included at note 21.

# VISION ACADEMY LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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#### Reserves policy

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

The level of reserves is reviewed by the Trustees regularly throughout the year. The minimum level of reserves for the ongoing needs of the Trust is reviewed by the Trustees on an annual basis. The Trustees consider it prudent to hold unrestricted reserves in the general fund in the form of free reserves (total funds less the amount held in fixed assets and restricted funds) of the equivalent of 1 week's expenditure which currently equates to a minimum of £375K.

The Trust's level of reserves at 31st August were £1,692,062, including restricted general reserves of £368,198 (excluding restricted fixed assets reserves) and unrestricted reserves of £1,323,864. Net current assets at 31 August 2019 was £2,414,817. The trust is also carrying forward capital balances of £722,756. The Trustees believe that the level of reserves held by the Trust as at 31st August 2020 is sufficient to meet the Reserves Policy.

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

#### Investment policy

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

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

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

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



# VISION ACADEMY LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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#### Principal risks and uncertainties

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

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

#### Section 1: Sustainability.

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

#### Section 2: Governance.

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

#### Section 3: Undertaking expansion through Academies categorised as RIO and Special measures.

- Reputational,
- Resource: Team & Finance,
- Contractual exposures and
- Resources such as IT, grounds, and contracts

#### Section 4: COVID 19 Risks

- Staffing
- Online Learning
- Financial Implications
- Examination performance

The principle financial risks the Trust faces are continual under funding, uncertainty over future funding arising from the national funding formula, the loss of students to competitor schools and the rising costs of pay and pension. These risks are considered when setting the budgets of the trust.

As part of its risk management strategy the Trust currently uses the Risk Protection Arrangements' (RPA) which is specifically designed for academies as an alternative to commercial insurance to transfer some risks. Under RPA, the UK Government covers the losses instead of commercial insurance. After conversion, all new academies joining the Trust will use RPA. This scheme has been used extensively during the year to reclaim the costs of cancelled trips due to COVID 19.

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

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

# VISION ACADEMY LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2020*

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### **Fundraising**

Under the provision of the Charities (Protection and Social Investment) Act 2016, this section includes information on fundraising practices:

All schools within the trust undertake both fundraising on behalf of other charitable organisations and for school specific purposes. Schools take part in many national charity events including, Red Nose Day and Children in Need and some schools also fundraise throughout the year for nominated charities. All income generated from these days are transferred direct to the individual charities.

As well as fundraising for external charities, most schools have active PTA organisations or "Friends of" organisations who actively fundraise through school based events. These have included, Summer fairs, Musical events and Christmas markets. Money received for these events is managed by the individual organisations and schools apply to the independent organisations for contributions to specific school equipment or events to enhance the curriculum or children's learning experience in schools.

We are particularly aware of the need to protect vulnerable individuals in any fundraising we undertake. During the course of this accounting period, we received no complaints relating to our fundraising activities.

### **Employee Consultation and Engagement**

The Trust employs over 250 employees and so has disclosed the actions taken during the year to introduce, develop or maintain arrangements to provide information and consult employees.

The Trust used daily briefings in schools, regular all staff briefings, and formal correspondence to inform staff of developments. The Trust employment policies are all aligned where possible and include a full commitment to consult and engage with staff and their recognised Trade Unions. The Trust recognises and works closely with Trade Unions and has its own Joint Consultative Committee. Formal consultation with staff and unions, staff meetings and drop in sessions were provided for staff at Laurence Jackson School, as part of the conversion process for joining the Trust.

### **Disabled Employees**

The Trust has in place a suite of staffing employment policies which are in accordance with relevant legislation, regulations and best practice. Our application form sets out that we are positive about disability and welcome applications from disabled people. The recruitment policy ensures the recruitment of all staff is conducted in a fair, effective and economic manner, in accordance with statutory requirements and good practice. Those responsible for the recruitment process are to demonstrate a professional approach by dealing honestly, efficiently and fairly with all applicants. Accordingly, under the terms of The Equality Act 2010, the Trust will make reasonable adjustment to the recruitment process if an applicant makes the employer aware that they have a disability. This applies to the entire recruitment process, from advertisement to appointment.

The Trust is committed to making reasonable adjustments to help employees overcome disadvantage resulting from impairment and the process for dealing with employees who become disabled are set out in the attendance management process.

# VISION ACADEMY LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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#### Plans for future periods

The priority for the Trust in 2020-2021 is to continue to improve levels of achievement for all students in line with our vision that all children reach their full potential. Specific work will be targeted at the newly sponsored secondary school which is also part of the One Vision programme. As such there are specific KPI's in the strategic plan to monitor this progress. The Trust is committed to effective and sustainable school improvement and provides a broad and balanced curriculum for all children.

The Key priority is to ensure school improvement is sustained through the further enhancement of a centralised improvement team. The CEO and key leaders will be determining the level of need for the next 12 – 24 months in order to determine the improvement team structure.

VALT has worked with Stockton On Tees Council to secure further funding to undertake a partial replacement of Egglecliffe School. The work was due to begin during Summer 2020 but due to the COVID 19 national lockdown this work has been deferred until 2021.

The Trust were approved in July 2020 by the DFE to sponsor a secondary school within the Tees Valley. This school is on a shared site with a primary school and they have chosen to convert into the Trust at the same time as the secondary school. The transfer deadline is anticipated as 1st January 2021.

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

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

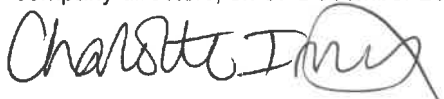
#### Auditor

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

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

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

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 07 December 2020 and signed on its behalf by:



C Irving  
Chair

# VISION ACADEMY LEARNING TRUST

## GOVERNANCE STATEMENT

### FOR THE YEAR ENDED 31 AUGUST 2020

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#### Scope of responsibility

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

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

#### Governance

The information on governance included here supplements that described in the Trustees' report and in the Trustees' responsibilities statement. The board of trustees formally met 6 times during the period 1st September 2019 to 31st August 2020. Attendance during the year at meetings of the board of trustees was as follows:

During the COVID 19 lockdown and restrictions, the Trustees continued to hold all meetings remotely. The CEO updated the Chair of Trustees on a regular basis on the measures that had been taken during the lockdown. The Finance Director continued to provide monthly accounts to the Chair of Trustees and management accounts information to the Trustees.

<b>Trustees</b>	<b>Meetings attended</b>	<b>Out of possible</b>
K van der Graaf	4	4
J Graham	3	6
C Irving (Chair)	6	6
R Long	6	6
J McGuire	4	6
J Richards (Resigned 31 May 2020)	4	5
S White (Accounting Officer)	6	6
D M Blake (Resigned 22 June 2020)	4	5
E Marshall	6	6
A Ankers (Appointed 13 January 2020)	4	4
Mr M Ord (Appointed 22 October 2020)	0	0

# VISION ACADEMY LEARNING TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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Trust has established a number of committees including Finance and Resources, Audit and Local Governing Bodies. The board of Trustees considered the following during the period September 2019 – 2020.

- Approval of the annual accounts
- Approval of the 2020-2021 annual budget
- Review of individual school progress and results
- Review and monitoring of the Trust strategic plan
- Review Trust growth and consolidation
- Analyse specific reports and data of progress of key cohorts – pupil premium, SEND and most able
- Safeguarding assurances and Trust safeguarding review

#### Governance Reviews

The Governing bodies of each school reviewed their individual school improvement plan and self-evaluation covering 2019-2020.

Training is offered to all on a regular basis via SBC Governor support together with the in-house training from our Trustee who is an NLG. Self-Evaluation and progress against the school improvement plans are also an agenda item for both Local Governing Bodies and Board of Trustees.

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

The main responsibilities include:

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

Issues dealt with during the year included:

- Review of the SMRA report undertaken by the DFE
- School resource self-assessment documented and presented and outcomes agreed by trustees
- Cashflow and 3 year forecast
- School financial performance
- Review of the Integrated Curriculum Financial Planning of all Trust Schools.

# VISION ACADEMY LEARNING TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
K van der Graaf	1	3
J Graham	2	3
C Irving (Chair)	3	3
R Long	2	3
S White (Accounting Officer)	3	3
A Ankers (Appointed 13 January 2020)	2	2

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

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

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
J Graham	3	3
R Long	3	3
J McGuire	2	3
S White (Accounting Officer)	3	3
D M Blake (Resigned 22 June 2020)	2	2

#### Review of value for money

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

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

- Regular review of the teaching structures within all schools against the requirements of the curriculum to ensure the optimal deployment of staff.
- Exercised robust project management and the allocation of the MAT school condition across the Trust.
- Continue to review the centralisation of the finance functions and maximise the procurement opportunities as an organisation
- Continue to enhance the use of Integrated Curriculum and Financial Planning (ICFP) in all schools with a view to monitor the progress during 2020-2021
- Continue to develop and strengthen the financial reporting mechanisms at Trustee level to identify opportunities to generate efficiency savings.

# VISION ACADEMY LEARNING TRUST

## GOVERNANCE STATEMENT (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2020*

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### **Teaching and Support staff costs**

The largest single element of cost is the payroll cost of teaching and support staff. VALT uses curriculum led financial planning to optimise the numbers of such staff and benchmarking exercises across the trust for support staff.

The review of both teaching and support staff has continued through the year and further reviews will take place during future periods.

### **COVID 19 PPN02 Notice**

In March 20 when the shutdown was announced, the Government published the Procurement Policy Note (PPN) which sets out information and guidance for public bodies on payment of their suppliers to ensure service continuity during and after the current coronavirus, COVID-19, outbreak. As a public sector body, the trust was obliged to follow this guidance.

The notice included a clause to increase the speed of payments to suppliers. During the closure period, the Trust Finance team continued to process invoices as swiftly as possible and the Finance Director ensured that there was no delay to payments due to authorisation of invoices.

A review of both suppliers and casual staff was undertaken and under the PPN 02, Examples of the arrangements made as a requirement of this notice included the following:

Contracted services – any supplier with a contract in place continued to be paid throughout the closure of schools. External catering Services – Agreement was made to continue to pay the universal infant free school meals entitlement only.

Supply cover – Any member of staff who was contracted to work in schools was paid to the end of the contract via agencies and where possible these staff were used on school rotas.

Arrangements were made with school transport to continue to contribute 50% of the ongoing charges to ensure the survival of the bus companies.

Casual staff – in particular Exam invigilators who were no longer required due to the cancellation of exams were compensated for hours that they would have worked

The Trust was not required to make any payments in advance to suppliers.

### **Non Pay costs**

The Trust reviews service level agreements in schools that join the Trust and replaces them where this is of benefit.

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

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Vision Academy Learning Trust for the period 1st September 2019 to 31st August 2020 and up to the date of approval of the annual report and financial statements.

### **Capacity to handle risk**

The board of trustees receive a Risks register identifying the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. Once approved, the board of trustees are able to form a view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks, for the period 1st September 2019 – 31st August 2020 and up to the date of approval of the annual report and financial statements. This process will be regularly reviewed by the board of trustees.

# VISION ACADEMY LEARNING TRUST

## GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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### The risk and control framework

The Academy Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability, in particular, it includes;

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

The board of trustees have considered the need for a specific internal audit function and have decided:

- not to have an in-house internal audit function
- To appoint Azets Accountants ("the reviewer") to give advice on financial matters, to arrange independent health checks and to brief trustees on any audit matters..

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

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

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

### Review of effectiveness

The revised FRC ethical Standard for auditors requires the trust to appoint separate internal auditors and therefore Clive Owen (The reviewer) has been appointed with effect from 1 September 2020 to give advice on financial matters, to arrange independent health checks and to brief trustees on any audit matters.

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

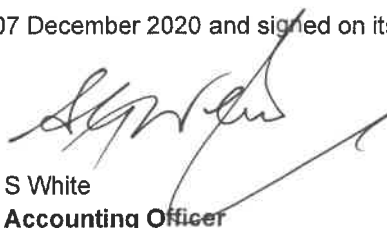
- the work of the external auditors;
- the financial management and governance self-assessment process

The accounting officer has been advised of the implications of the result of their review of the system of internal controls by the audit committee and a plan to address any weaknesses and ensure continuous improvement of the system is continually evolving.

Approved by order of the board of trustees on 07 December 2020 and signed on its behalf by:



C Irving  
Chair



S White  
Accounting Officer



# VISION ACADEMY LEARNING TRUST

## STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2020

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As accounting officer of Vision Academy Learning Trust, I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the academy trust's board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2019.

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



S White  
**Accounting Officer**

07 December 2020

# VISION ACADEMY LEARNING TRUST

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

**FOR THE YEAR ENDED 31 AUGUST 2020**

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The trustees (who are also the directors of Vision Academy Learning Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2019 to 2020 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the trustees are required to:

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

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

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

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

Approved by order of the members of the board of trustees on 07 December 2020 and signed on its behalf by:



C Irving  
Chair

# VISION ACADEMY LEARNING TRUST

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

*FOR THE YEAR ENDED 31 AUGUST 2020*

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### Opinion

We have audited the accounts of Vision Academy Learning Trust for the year ended 31 August 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

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

### Basis for opinion

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

### Conclusions relating to going concern

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

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

### Other information

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

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

We have nothing to report in this regard.

# VISION ACADEMY LEARNING TRUST

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

*FOR THE YEAR ENDED 31 AUGUST 2020*

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

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

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

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

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

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

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

### **Responsibilities of trustees**

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

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

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

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

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

# VISION ACADEMY LEARNING TRUST

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

*FOR THE YEAR ENDED 31 AUGUST 2020*

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### **Use of our report**

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

*Azets Audit Services*

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

*12 December 2020*  
.....

**Statutory Auditor**

Wynyard Park House  
Wynyard Avenue  
Wynyard  
Billingham  
TS22 5TB

# VISION ACADEMY LEARNING TRUST

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

*FOR THE YEAR ENDED 31 AUGUST 2020*

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In accordance with the terms of our engagement letter dated 18 September 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Vision Academy Learning Trust during the period 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of Vision Academy Learning Trust's funding agreement with the Secretary of State for Education dated 25 July 2016 and the Academies Financial Handbook, extant from 1 September 2019, 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 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

### **Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

# VISION ACADEMY LEARNING TRUST

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

*FOR THE YEAR ENDED 31 AUGUST 2020*

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The work undertaken to draw to our conclusion includes:

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

### **Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

### **Reporting Accountant**

Azets Audit Services

Dated: .....

# VISION ACADEMY LEARNING TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted funds £	Restricted funds: General £	Fixed asset £	Total 2020 £	Total 2019 £
<b>Income and endowments from:</b>						
Donations and capital grants	3	36,946	24,120	1,660,535	1,721,601	1,087,198
Charitable activities:						
- Funding for educational operations	4	422,473	18,715,625	-	19,138,098	13,808,898
- Funding for teaching schools	28	119,220	40,000	-	159,220	53,604
Other trading activities	5	598,227	-	-	598,227	731,877
Investments	6	6,331	-	-	6,331	6,841
<b>Total</b>		<b>1,183,197</b>	<b>18,779,745</b>	<b>1,660,535</b>	<b>21,623,477</b>	<b>15,688,418</b>
<b>Expenditure on:</b>						
Raising funds	7	570,718	-	-	570,718	1,127,336
Charitable activities:						
- Educational operations	9	390,084	19,841,900	339,876	20,571,860	14,292,817
- Teaching Schools		81,504	64,120	-	145,624	99,100
Charitable expenditure - transfer from local authority on conversion	29	(218,548)	2,782,000	(288,303)	2,275,149	-
<b>Total</b>	<b>7</b>	<b>823,758</b>	<b>22,688,020</b>	<b>51,573</b>	<b>23,563,351</b>	<b>15,519,253</b>
<b>Net income/(expenditure)</b>		<b>359,439</b>	<b>(3,908,275)</b>	<b>1,608,962</b>	<b>(1,939,874)</b>	<b>169,165</b>
Transfers between funds	19	-	335,246	(335,246)	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial losses on defined benefit pension schemes	21	-	(3,243,000)	-	(3,243,000)	(1,578,000)
<b>Net movement in funds</b>		<b>359,439</b>	<b>(6,816,029)</b>	<b>1,273,716</b>	<b>(5,182,874)</b>	<b>(1,408,835)</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		964,425	(2,795,773)	11,347,669	9,516,321	10,925,156
Total funds carried forward		<b>1,323,864</b>	<b>(9,611,802)</b>	<b>12,621,385</b>	<b>4,333,447</b>	<b>9,516,321</b>



# VISION ACADEMY LEARNING TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2020

Comparative year information Year ended 31 August 2019	Notes	Unrestricted funds £	Restricted funds: General	Fixed asset £	Total 2019 £
<b>Income and endowments from:</b>					
Donations and capital grants	3	7,757	-	1,079,441	1,087,198
Charitable activities:					
- Funding for educational operations	4	512,929	13,295,969	-	13,808,898
- Funding for teaching schools	28	-	53,604	-	53,604
Other trading activities	5	731,877	-	-	731,877
Investments	6	6,841	-	-	6,841
<b>Total</b>		<u>1,259,404</u>	<u>13,349,573</u>	<u>1,079,441</u>	<u>15,688,418</u>
<b>Expenditure on:</b>					
Raising funds	7	1,127,336	-	-	1,127,336
Charitable activities:					
- Educational operations	9	25,000	13,984,623	283,194	14,292,817
- Teaching Schools		-	99,100	-	99,100
<b>Total</b>	7	<u>1,152,336</u>	<u>14,083,723</u>	<u>283,194</u>	<u>15,519,253</u>
<b>Net income/(expenditure)</b>		107,068	(734,150)	796,247	169,165
Transfers between funds	19	-	163,024	(163,024)	-
<b>Other recognised gains/(losses)</b>					
Actuarial losses on defined benefit pension schemes	21	-	(1,578,000)	-	(1,578,000)
<b>Net movement in funds</b>		107,068	(2,149,126)	633,223	(1,408,835)
<b>Reconciliation of funds</b>					
Total funds brought forward		889,612	(678,902)	10,714,446	10,925,156
Total funds carried forward		<u>996,680</u>	<u>(2,828,028)</u>	<u>11,347,669</u>	<u>9,516,321</u>

# VISION ACADEMY LEARNING TRUST

## BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	2020		2019	
		£	£	£	£
<b>Fixed assets</b>					
Intangible assets	13		-		18,606
Tangible assets	14		11,898,629		10,988,088
Investments	15		1		-
			<u>11,898,630</u>		<u>11,006,694</u>
<b>Current assets</b>					
Debtors	16	560,580		279,020	
Cash at bank and in hand		3,058,902		2,214,772	
		<u>3,619,482</u>		<u>2,493,792</u>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	17	(1,204,665)		(842,165)	
<b>Net current assets</b>			<u>2,414,817</u>		<u>1,651,627</u>
<b>Net assets excluding pension liability</b>			<u>14,313,447</u>		<u>12,658,321</u>
Defined benefit pension scheme liability	21		(9,980,000)		(3,142,000)
<b>Total net assets</b>			<u>4,333,447</u>		<u>9,516,321</u>
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>	19				
- Fixed asset funds			12,621,385		11,347,669
- Restricted income funds			368,198		346,227
- Pension reserve			(9,980,000)		(3,142,000)
<b>Total restricted funds</b>			<u>3,009,583</u>		<u>8,551,896</u>
<b>Unrestricted income funds</b>	19		<u>1,323,864</u>		<u>964,425</u>
<b>Total funds</b>			<u>4,333,447</u>		<u>9,516,321</u>

The accounts on pages 30 to 61 were approved by the trustees and authorised for issue on 07 December 2020 and are signed on their behalf by:



C Irving  
Chair

Company Number 10249712

# VISION ACADEMY LEARNING TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020 £	£	2019 £	£
<b>Cash flows from operating activities</b>					
Net cash used in operating activities	22	(97,775)		(187,129)	
Cash funds transferred on conversion		218,548		-	
		<u>120,773</u>		<u>(187,129)</u>	
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		6,331		6,841	
Capital grants from DfE Group		807,162		600,429	
Capital funding received from sponsors and others		5,978		479,012	
Purchase of tangible fixed assets		(96,113)		(584,637)	
Purchase of investments		(1)		-	
		<u>723,357</u>		<u>501,645</u>	
<b>Net cash provided by investing activities</b>		<u>723,357</u>		<u>501,645</u>	
<b>Net increase in cash and cash equivalents in the reporting period</b>		<u>844,130</u>		<u>314,516</u>	
Cash and cash equivalents at beginning of the year		2,214,772		1,900,256	
<b>Cash and cash equivalents at end of the year</b>		<u><u>3,058,902</u></u>		<u><u>2,214,772</u></u>	

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

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### 1 Accounting policies

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

#### 1.1 Basis of preparation

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The academy trust has not prepared consolidated accounts on the grounds that the activities of the subsidiary company are not material to results of the group as a whole. Details of the financial position of the subsidiary company are included in the notes to the financial statements.

#### 1.2 Going concern

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

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

#### 1.3 Conversion to an academy trust

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from Laurence Jackson School to the academy trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Charitable activities – transfer from local authority on conversion in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. The value of land and buildings on conversion has been estimated based on Local Authority information. Other assets and liabilities have been transferred at fair value. Further details of the transaction are set out in note 29.

#### 1.4 Income

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

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

#### 1 Accounting policies

(Continued)

##### Grants

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

General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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

##### Sponsorship income

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

##### Donations

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

##### Other income

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

##### Donated goods, facilities and services

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

##### Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

##### Transfer of assets from existing academies

Where assets and liabilities are received on the transfer of an existing academy into the academy trust, the transferred net assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. Income equal to the net assets transferred is recognised within donations and capital grant income.

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

#### Expenditure on raising funds

This includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

#### Charitable activities

These are costs incurred on the academy trust's educational operations, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities.

#### 1.6 Intangible fixed assets and amortisation

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

- Purchased computer software - over the period of the license

#### 1.7 Tangible fixed assets and depreciation

Land, building and improvements costing £5,000 or more and machinery, equipment, vehicles and ICT costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

#### 1 Accounting policies

(Continued)

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

Freehold land	125 years
Leasehold buildings	50 years
Leasehold improvements	50 years
Computer equipment	4 years
Fixtures, fittings & equipment	4 years
Motor vehicles	4 years

The trust's land and buildings are occupied on a 125 year lease from the local authority. In the view of the trustees, the risks and rewards of occupying the site have been substantially transferred to the trust and therefore the land and buildings have been recognised as a donation on conversion and capitalised within the restricted fixed assets fund. Other than at Chandler's Ridge Academy, Land and buildings have been valued by trustees on a depreciated replacement cost basis by reviewing the values in the financial statements of similar schools within the borough of Stockton on Tees. Land and buildings at Chandler's Ridge Academy are valued using valuations previously provided by the ESFA. Other assets transferred on conversion have been valued based on an estimated book value based on their original purchase cost.

Buildings at Laurence Jackson School have not been recognised on the balance sheet, having been funded under the Priority Schools Building Programme, a PFI scheme. The trustees have considered the terms of the agreement and concluded that control of the buildings have not substantially passed to the trust.

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

#### 1.8 Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

#### 1.9 Leased assets

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

#### 1.10 Investments

Fixed asset investments are stated at market value.

#### 1.11 Financial instruments

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

##### Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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### 1 Accounting policies

(Continued)

#### Financial liabilities

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

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

#### 1.12 Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### 1.13 Pensions benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the academy trust.

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

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

#### 1.14 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education and Skills Funding Agency/Department for Education.



# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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

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

##### Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. 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.

##### McCloud

In 2015 the government introduced reforms to public sector pensions resulting in most public sector workers being transferred to a new scheme. In December 2018, the Court of Appeal ruled that the 'transitional protections' offered to some members of the judges and firefighter schemes as part of the reforms amounted to unlawful discrimination. Following developments in employment tribunals and other public service schemes, and subsequently the consultation on the proposed remedy for the LGPS on 16 July 2020, actuaries have assumed a remedy that an underpin would apply to all those in the scheme on 1 April 2012, will not apply on withdrawal and will apply to spouse's pensions. These assumptions have been reflected in the valuation, with the overall impact dependent on the profile of each employer.

##### GMP

This case related to the equalisation for men and women of guaranteed minimum pension (GMP) for those who were contracted out of the State Second Pension between 6 April 1978 and 6 April 1997. In October 2018 the High Court ruled that equalisation of GMP was required. Allowance has been made in the valuation for members whose state pension age is on or after 6 April 2016.

#### 3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Donated fixed assets	-	847,395	847,395	432,288
Capital grants	-	807,162	807,162	600,429
Other donations	36,946	30,098	67,044	54,481
	<u>36,946</u>	<u>1,684,655</u>	<u>1,721,601</u>	<u>1,087,198</u>

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

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

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
<b>DfE / ESFA grants</b>				
General annual grant (GAG)	-	15,916,942	15,916,942	11,801,866
Start up grants	-	185,582	185,582	-
Other DfE group grants	-	1,781,993	1,781,993	812,822
	-	17,884,517	17,884,517	12,614,688
<b>Other government grants</b>				
Local authority grants	-	799,443	799,443	681,281
<b>Exceptional government funding</b>				
Coronavirus job retention scheme grant	-	14,172	14,172	-
Coronavirus exceptional support	-	17,493	17,493	-
	-	31,665	31,665	-
<b>Other funding</b>				
Teaching Schools	119,220	40,000	159,220	53,604
Catering income	390,083	-	390,083	493,814
Other incoming resources	32,390	-	32,390	19,115
	541,693	40,000	581,693	566,533
<b>Total funding</b>	<b>541,693</b>	<b>18,741,453</b>	<b>19,283,146</b>	<b>13,862,502</b>

#### Other DfE group grants includes the following:

	2020 £	2019 £
Pupil Premium	526,814	405,875
Catch Up Funding	18,059	8,034
Universal Infant Free School Meals	212,467	204,638
Teachers Pay Grant	818,708	117,225
PE Sports Grant	76,570	76,330
Other DfE group grants	129,375	720
	1,781,993	812,822

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 4 Funding for the academy trust's educational operations (Continued)

The Trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "coronavirus exceptional support". The funding received covers additional costs in relation to cleaning. These costs are included in notes 7 and 9 as appropriate.

The academy trust furloughed some of its leisure facilities staff under the Government's CJRS. The funding received relates to staff costs in respect of leisure facilities staff which are included within note 10 below as appropriate.

### 5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Lettings income	10,073	-	10,073	28,129
Catering income	9,933	-	9,933	7,015
Music tuition	94,946	-	94,946	127,752
School trips	240,525	-	240,525	289,519
Teaching Schools	-	-	-	23,367
Other income	242,750	-	242,750	256,095
	<u>598,227</u>	<u>-</u>	<u>598,227</u>	<u>731,877</u>

### 6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Short term deposits	6,331	-	6,331	6,841

### 7 Expenditure

	Staff costs £	Non-pay expenditure		Total 2020 £	Total 2019 £
		Premises £	Other £		
Expenditure on raising funds					
- Direct costs	165,828	-	404,890	570,718	1,127,336
Academy's educational operations					
- Direct costs	13,894,733	-	943,177	14,837,910	10,485,629
- Allocated support costs	3,059,049	1,627,925	1,046,976	5,733,950	3,807,188
Teaching Schools					
- Direct costs	76,291	-	2,666	78,957	26,989
- Allocated support costs	7,933	1,126	57,608	66,667	72,111
	<u>17,203,834</u>	<u>1,629,051</u>	<u>2,455,317</u>	<u>21,288,202</u>	<u>15,519,253</u>

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

7 Expenditure	(Continued)	
<b>Net income/(expenditure) for the year includes:</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Fees payable to auditor for:		
- Audit	12,500	13,200
- Other services	7,400	8,475
Operating lease rentals	91,077	22,966
Depreciation of tangible fixed assets	321,270	269,440
Amortisation of intangible fixed assets	18,606	10,120
Loss on disposal of fixed assets	-	3,634
Net interest on defined benefit pension liability	86,000	24,000
	<u>          </u>	<u>          </u>

### 8 Central services

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

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

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

- 4.5% of GAG income for all schools.

Other than Laurence Jackson School, which was charged an agreed amount in its first year within the trust.

The amounts charged during the year were as follows:	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Egglecliffe School	326,269	306,703
The Links Primary School	32,931	31,732
Junction Farm Primary School	64,803	58,586
Chandler's Ridge Academy	53,425	54,911
Whinstone Primary School	86,134	83,397
Laurence Jackson School	80,000	-
Teaching Alliance	-	-
	<u>          </u>	<u>          </u>
	<b>643,562</b>	<b>535,329</b>
	<u>          </u>	<u>          </u>

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 9 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
<b>Direct costs</b>				
Educational operations	-	14,837,910	14,837,910	10,485,629
Teaching Schools	76,291	2,666	78,957	26,989
<b>Support costs</b>				
Educational operations	390,084	5,343,866	5,733,950	3,807,188
Teaching Schools	5,213	61,454	66,667	72,111
	<u>471,588</u>	<u>20,245,896</u>	<u>20,717,484</u>	<u>14,391,917</u>
	<u>Teaching school £</u>	<u>Educational operations £</u>	<u>Total 2020 £</u>	<u>Total 2019 £</u>
<b>Analysis of support costs</b>				
Support staff costs	7,933	3,079,193	3,087,126	2,080,479
Depreciation and amortisation	-	339,876	339,876	283,194
Technology costs	587	33,063	33,650	32,346
Premises costs	1,126	1,288,049	1,289,175	977,036
Legal costs	-	28,111	28,111	33,481
Other support costs	57,015	919,582	976,597	429,831
Governance costs	6	46,076	46,082	42,932
	<u>66,667</u>	<u>5,733,950</u>	<u>5,800,617</u>	<u>3,879,299</u>

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

### 10 Staff

#### Staff costs

Staff costs during the year were:

	2020 £	2019 £
Wages and salaries	12,378,261	9,072,486
Social security costs	1,145,487	842,675
Pension costs	3,328,655	1,945,028
Staff costs - employees	16,852,403	11,860,189
Agency staff costs	350,519	185,767
Staff restructuring costs	912	-
	17,203,834	12,045,956
Staff development and other staff costs	112,202	97,085
Total staff expenditure	17,316,036	12,143,041
Staff restructuring costs comprise:		
Redundancy payments	912	-

#### Staff numbers

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

	2020 Number	2019 Number
Teachers	335	259
Administration and support	168	131
Management	11	6
	514	396

#### Higher paid staff

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

	2020 Number	2019 Number
£60,001 - £70,000	4	4
£70,001 - £80,000	1	4
£90,001 - £100,000	3	-
£110,001 - £120,000	1	1

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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### 10 Staff

(Continued)

#### Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £804,048 (2019: £672,602).

### 11 Trustees' remuneration and expenses

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

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

Simon White (CEO/Headteacher)

Remuneration £110,001 - £115,000 (2019: £105,001 - £110,000)

Employer pension contributions £25,001 - £30,000 (2019: £15,001 - £20,000)

Karen Norton (Headteacher) - resigned 31 July 2019

Remuneration £nil (2019: £75,001 - £80,000)

Employer pension contributions £nil (2019: £15,001 - £20,000)

### 12 Insurance for trustees and officers

The academy trust has opted into the Department for Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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### 13 Intangible fixed assets

	<b>Computer licences £</b>
<b>Cost</b>	
At 1 September 2019	37,989
Disposals	(37,989)
	<hr/>
At 31 August 2020	-
	<hr/>
<b>Amortisation</b>	
At 1 September 2019	19,383
On disposals	(19,383)
	<hr/>
At 31 August 2020	-
	<hr/>
<b>Carrying amount</b>	
At 31 August 2020	-
	<hr/> <hr/>
At 31 August 2019	18,606
	<hr/> <hr/>



## VISION ACADEMY LEARNING TRUST

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

#### 14 Tangible fixed assets

	Freehold land	Leasehold buildings	Leasehold improvements	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£	£	£
<b>Cost</b>							
At 1 September 2019	-	10,728,238	432,288	192,860	267,318	32,666	11,653,370
Transfer on conversion	202,000	-	-	62,425	19,938	3,940	288,303
Additions	-	-	847,395	52,013	44,100	-	943,508
At 31 August 2020	202,000	10,728,238	1,279,683	307,298	331,356	36,606	12,885,181
<b>Depreciation</b>							
At 1 September 2019	-	441,088	3,602	109,146	88,989	22,457	665,282
Charge for the year	-	176,142	22,769	63,375	50,752	8,232	321,270
At 31 August 2020	-	617,230	26,371	172,521	139,741	30,689	986,552
<b>Net book value</b>							
At 31 August 2020	202,000	10,111,008	1,253,312	134,777	191,615	5,917	11,898,629
At 31 August 2019	-	10,287,150	428,686	83,714	178,329	10,209	10,988,088

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

### 15 Fixed asset investments

	£
<b>Market value</b>	
At 1 September 2019	-
Acquisitions at cost	1
	<hr/>
At 31 August 2020	1
	<hr/> <hr/>
<b>Historical cost:</b>	
At 31 August 2020	-
	<hr/>
At 31 August 2019	-
	<hr/> <hr/>

The fixed asset investment is in respect of the wholly owned subsidiary, VALT Enterprises Limited. The subsidiary operates sports and lettings at Laurence Jackson School, as well as providing services to other schools.

Turnover for the year at 31 August 2020 - £49,992  
Expenditure for the year at 31 August 2020 - £34,184  
Profit for the year at 31 August 2020 - £15,808  
Total assets at 31 August 2020 - £31,808  
Total liabilities at 31 August 2020 - £15,999

### 16 Debtors

	2020	2019
	£	£
Trade debtors	21,702	2,565
VAT recoverable	36,998	33,747
Prepayments and accrued income	501,880	242,708
	<hr/>	<hr/>
	560,580	279,020
	<hr/> <hr/>	<hr/> <hr/>

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

	2020	2019
	£	£
Trade creditors	52,537	92,540
Other taxation and social security	327,867	209,438
Other creditors	408,263	237,813
Accruals and deferred income	415,998	302,374
	<hr/>	<hr/>
	1,204,665	842,165
	<hr/> <hr/>	<hr/> <hr/>

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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### 18 Deferred income

	2020	2019
	£	£
Deferred income is included within:		
Creditors due within one year	253,005	220,040
	<u>253,005</u>	<u>220,040</u>
Deferred income at 1 September 2019	220,040	270,121
Released from previous years	(220,040)	(270,121)
Resources deferred in the year	253,005	220,040
	<u>253,005</u>	<u>220,040</u>
<b>Deferred income at 31 August 2020</b>	<b>253,005</b>	<b>220,040</b>

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

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 19 Funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	346,227	15,916,942	(16,292,064)	335,246	306,351
Start up grants	-	185,582	(185,582)	-	-
Other DfE / ESFA grants	-	1,781,993	(1,720,146)	-	61,847
Other government grants	-	831,108	(831,108)	-	-
Teaching Schools	-	64,120	(64,120)	-	-
Pension reserve	(3,142,000)	-	(3,595,000)	(3,243,000)	(9,980,000)
	<u>(2,795,773)</u>	<u>18,779,745</u>	<u>(22,688,020)</u>	<u>(2,907,754)</u>	<u>(9,611,802)</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	10,335,049	-	46,342	-	10,381,391
DfE group capital grants	526,918	807,162	(62,048)	(329,532)	942,500
Capital expenditure from GAG	17,773	-	(7,201)	264	10,836
Donated by local authority	428,686	847,395	(22,769)	-	1,253,312
Other capital donations	39,243	5,978	(5,897)	(5,978)	33,346
	<u>11,347,669</u>	<u>1,660,535</u>	<u>(51,573)</u>	<u>(335,246)</u>	<u>12,621,385</u>
<b>Total restricted funds</b>	<u>8,551,896</u>	<u>20,440,280</u>	<u>(22,739,593)</u>	<u>(3,243,000)</u>	<u>3,009,583</u>
<b>Unrestricted funds</b>					
General funds	922,783	963,949	(742,254)	-	1,144,478
LJS 3G Pitch Fund	-	100,028	-	-	100,028
Teaching Schools	41,642	119,220	(81,504)	-	79,358
	<u>964,425</u>	<u>1,183,197</u>	<u>(823,758)</u>	<u>-</u>	<u>1,323,864</u>
<b>Total funds</b>	<u>9,516,321</u>	<u>21,623,477</u>	<u>(23,563,351)</u>	<u>(3,243,000)</u>	<u>4,333,447</u>

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2020*

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### 19 Funds

(Continued)

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

General Annual Grant must be used for the normal running costs of the academy. Under the funding agreement with the Secretary of State, the academy trust was subject to a limit on the amount of GAG that it could carry forward at 31 August 2020.

Other DfE/ESFA grants include teachers' pay grant, universal free school meals income, PE grant, pupil premium, year 7 catch up grant received.

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

Other restricted funds include Teaching School funds. There is also an unrestricted element for Teaching School funds based on additional income generated.

DfE/ESFA Capital Grants consist of the devolved capital grant and capital improvement fund which has been partly spent on non capitalised items and asset additions in the year with £14,160 of devolved capital and £710,172 of capital improvement fund carried forward for future use.

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

At 31 August 2020 the academy had restricted general and unrestricted funds of £1,692,062.

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 19 Funds

(Continued)

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	304,626	11,801,866	(11,933,289)	173,024	346,227
Other DfE / ESFA grants	58,231	812,822	(861,053)	(10,000)	-
Other government grants	-	681,281	(681,281)	-	-
Teaching Schools	13,241	53,604	(66,845)	-	-
Pension reserve	(1,055,000)	-	(509,000)	(1,578,000)	(3,142,000)
	<u>(678,902)</u>	<u>13,349,573</u>	<u>(14,051,468)</u>	<u>(1,414,976)</u>	<u>(2,795,773)</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	10,572,450	-	(237,401)	-	10,335,049
DfE group capital grants	131,817	600,429	(35,719)	(169,609)	526,918
Capital expenditure from GAG	10,179	-	(5,573)	13,167	17,773
Donated by local authority	-	432,288	(3,602)	-	428,686
Other capital donations	-	46,724	(899)	(6,582)	39,243
	<u>10,714,446</u>	<u>1,079,441</u>	<u>(283,194)</u>	<u>(163,024)</u>	<u>11,347,669</u>
<b>Total restricted funds</b>	<u>10,035,544</u>	<u>14,429,014</u>	<u>(14,334,662)</u>	<u>(1,578,000)</u>	<u>8,551,896</u>
<b>Unrestricted funds</b>					
General funds	839,082	1,236,037	(1,152,336)	-	922,783
Teaching Schools	50,530	23,367	(32,255)	-	41,642
	<u>889,612</u>	<u>1,259,404</u>	<u>(1,184,591)</u>	<u>-</u>	<u>964,425</u>
<b>Total funds</b>	<u>10,925,156</u>	<u>15,688,418</u>	<u>(15,519,253)</u>	<u>(1,578,000)</u>	<u>9,516,321</u>

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

### 19 Funds (Continued)

#### Total funds analysis by academy

	2020	2019
	£	£
Fund balances at 31 August 2020 were allocated as follows:		
Eggescliffe School	287,519	236,559
The Links Primary School	165,552	143,712
Junction Farm Primary School	269,235	228,730
Chandler's Ridge Academy	96,853	107,526
Whinstone Primary School	430,838	255,284
Laurence Jackson School	33,858	-
Teaching Alliance	79,398	41,688
Central services	328,809	297,153
Total before fixed assets fund and pension reserve	1,692,062	1,310,652
Restricted fixed asset fund	12,621,385	11,347,669
Pension reserve	(9,980,000)	(3,142,000)
Total funds	4,333,447	9,516,321

#### Total cost analysis by academy

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

	Teaching and educational support staff	Other support staff costs	Educational supplies	Other costs excluding depreciation	Total 2020	Total 2019
	£	£	£	£	£	£
Eggescliffe School	5,952,818	863,188	357,972	1,072,674	8,246,652	7,655,489
The Links Primary School	615,017	151,473	41,627	148,303	956,420	966,233
Junction Farm Primary School	1,343,069	156,131	51,940	250,145	1,801,285	1,678,650
Chandler's Ridge Academy	1,089,691	89,335	49,657	288,072	1,516,755	1,385,263
Whinstone Primary School	1,711,442	191,922	66,700	327,796	2,297,860	2,271,537
Laurence Jackson School	2,952,594	575,081	259,037	472,601	4,259,313	-
Teaching Alliance	76,291	7,933	1,207	60,194	145,625	99,100
Central services	395,930	304,919	25,645	184,922	911,416	405,901
	14,136,852	2,339,982	853,785	2,804,707	20,135,326	14,462,173

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 20 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General      Fixed asset £                      £		Total Funds £
<b>Fund balances at 31 August 2020 are represented by:</b>				
Tangible fixed assets	-	-	11,898,629	11,898,629
Fixed asset investments	-	1	-	1
Current assets	1,323,864	1,572,862	722,756	3,619,482
Creditors falling due within one year	-	(1,204,665)	-	(1,204,665)
Defined benefit pension liability	-	(9,980,000)	-	(9,980,000)
<b>Total net assets</b>	<b>1,323,864</b>	<b>(9,611,802)</b>	<b>12,621,385</b>	<b>4,333,447</b>

	Unrestricted Funds £	Restricted funds: General      Fixed asset £                      £		Total Funds £
<b>Fund balances at 31 August 2019 are represented by:</b>				
Intangible fixed assets	-	-	18,606	18,606
Tangible fixed assets	-	-	10,988,088	10,988,088
Current assets	1,043,177	1,109,640	340,975	2,493,792
Creditors falling due within one year	(78,752)	(763,413)	-	(842,165)
Defined benefit pension liability	-	(3,142,000)	-	(3,142,000)
<b>Total net assets</b>	<b>964,425</b>	<b>(2,795,773)</b>	<b>11,347,669</b>	<b>9,516,321</b>

### 21 Pension and similar obligations

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

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

Contributions amounting to £184,234 (2019: £175,437) were payable to the schemes at 31 August 2020 and are included within creditors.

#### Teachers' Pension Scheme

##### Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in 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.



# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 21 Pension and similar obligations

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

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

The employer's pension costs paid to the TPS in the period amounted to £2,065,093 (2019: £1,085,829).

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

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

#### Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 17.5% for employers and 5.5 - 12.5% for employees.

As described in note 29 the LGPS obligation relates to the employees of the academy trust, being the employees transferred as part of the conversion from the maintained school and new employees who joined the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust 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.

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

21 Pension and similar obligations	(Continued)	
<b>Total contributions made</b>	<b>2020</b>	<b>2019</b>
	£	£
Employer's contributions	511,000	377,000
Employees' contributions	175,000	128,000
	<u>686,000</u>	<u>505,000</u>
<b>Principal actuarial assumptions</b>	<b>2020</b>	<b>2019</b>
	%	%
Rate of increase in salaries	3.3	3.1
Rate of increase for pensions in payment/inflation	2.3	2.1
Discount rate for scheme liabilities	1.7	1.9
Inflation assumption (CPI)	2.3	2.1
	<u>        </u>	<u>        </u>

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

	<b>2020</b>	<b>2019</b>
	Years	Years
Retiring today		
- Males	21.8	21.9
- Females	23.5	23.8
Retiring in 20 years		
- Males	23.2	23.6
- Females	25.3	25.7
	<u>        </u>	<u>        </u>

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

	<b>2020</b>	<b>2019</b>
	£	£
Discount rate + 0.1%	20,649,000	10,094,000
Discount rate - 0.1%	21,686,000	10,531,000
Mortality assumption + 1 year	20,395,000	9,960,000
Mortality assumption - 1 year	21,940,000	10,664,000
CPI rate + 0.1%	21,580,000	10,444,000
CPI rate - 0.1%	20,755,000	10,177,000
	<u>        </u>	<u>        </u>

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

21 Pension and similar obligations	(Continued)	
<b>The academy trust's share of the assets in the scheme</b>	<b>2020</b>	<b>2019</b>
	<b>Fair value</b>	<b>Fair value</b>
	<b>£</b>	<b>£</b>
Equities	8,494,520	5,476,352
Cash	1,296,532	910,336
Property	894,160	602,112
Other assets	491,788	179,200
Total market value of assets	<u>11,177,000</u>	<u>7,168,000</u>
The actual return on scheme assets was £(166,000) (2019: £256,000).		
<b>Amount recognised in the Statement of Financial Activities</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Current service cost	1,238,000	690,000
Past service cost	-	172,000
Interest income	(181,000)	(187,000)
Interest cost	267,000	211,000
Total operating charge	<u>1,324,000</u>	<u>886,000</u>
<b>Changes in the present value of defined benefit obligations</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
At 1 September 2019	10,310,000	7,500,000
Obligations acquired on conversion	6,406,000	-
Current service cost	1,238,000	690,000
Interest cost	267,000	211,000
Employee contributions	175,000	128,000
Actuarial loss	2,896,000	1,647,000
Benefits paid	(135,000)	(38,000)
Past service cost	-	172,000
At 31 August 2020	<u>21,157,000</u>	<u>10,310,000</u>

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

21 Pension and similar obligations	(Continued)		
<b>Changes in the fair value of the academy trust's share of scheme assets</b>			
	2020	2019	
	£	£	
At 1 September 2019	7,168,000	6,445,000	
Assets acquired on conversion	3,624,000	-	
Interest income	181,000	187,000	
Actuarial loss/(gain)	(347,000)	69,000	
Employer contributions	511,000	377,000	
Employee contributions	175,000	128,000	
Benefits paid	(135,000)	(38,000)	
	<u>11,177,000</u>	<u>7,168,000</u>	
At 31 August 2020	<u>11,177,000</u>	<u>7,168,000</u>	
22 Reconciliation of net (expenditure)/income to net cash flow from operating activities	2020	2019	
	£	£	
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(1,939,874)	169,167	
Adjusted for:			
Net deficit on conversion to academy	2,275,149	-	
Capital grants from DfE and other capital income	(1,660,535)	(1,079,441)	
Investment income receivable	(6,331)	(6,841)	
Defined benefit pension costs less contributions payable	727,000	485,000	
Defined benefit pension scheme finance cost	86,000	24,000	
Depreciation of tangible fixed assets	321,270	269,440	
Amortisation of intangible fixed assets	18,606	10,120	
Loss on disposal of fixed assets	-	3,634	
(Increase)/decrease in debtors	(281,560)	3,442	
Increase/(decrease) in creditors	362,500	(65,650)	
	<u>(97,775)</u>	<u>(187,129)</u>	
<b>Net cash used in operating activities</b>	<u>(97,775)</u>	<u>(187,129)</u>	
23 Analysis of changes in net funds	1 September 2019	Cash flows	31 August 2020
	£	£	£
Cash	<u>2,214,772</u>	<u>844,130</u>	<u>3,058,902</u>

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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#### 24 Commitments under operating leases

At 31 August 2020 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2020 £	2019 £
Amounts due within one year	20,254	19,678
Amounts due in two and five years	11,818	16,761
	<u>32,072</u>	<u>36,439</u>

#### 25 Related party transactions

Owing to the nature of the academy trust's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the academy trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account.

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

##### Income related party transactions

- During the year the academy trust recharged salary costs of £25,813 to the trading subsidiary, VALT Enterprises Limited. £8,804 was due at the year end. The trust complied with the requirements of the Academies Financial Handbook 2019 in making these transactions

#### 26 Members' liability

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

#### 27 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2020 the trust brought forward £22,358 from previous years, received £17,582 and disbursed £8,956 from the fund. An amount of £30,984 is included in other creditors relating to undistributed funds that is repayable to ESFA.

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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28 Teaching Schools trading account	2020		2019	
	£	£	£	£
<b>Direct income</b>				
External funding		40,000		53,604
<b>Other income</b>				
Fundraising and other trading activities		119,220		23,367
Voluntary income		24,120		-
		<u>          </u>		<u>          </u>
<b>Total income</b>		183,340		76,971
<b>Direct costs</b>				
Direct staff costs	84,224		69,128	
Educational supplies and services	61,400		29,972	
	<u>          </u>		<u>          </u>	
	145,624		99,100	
	<u>          </u>		<u>          </u>	
<b>Total expenditure</b>		(145,624)		(99,100)
		<u>          </u>		<u>          </u>
<b>Surplus/(deficit) from all sources</b>		37,716		(22,129)
Teaching Schools balances at 1 September 2019		41,642		63,771
		<u>          </u>		<u>          </u>
<b>Teaching Schools balances at 31 August 2020</b>		79,358		41,642
		<u>          </u>		<u>          </u>

# VISION ACADEMY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

#### 29 Conversion to an academy

On 1 February 2020 Laurence Jackson School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Vision Academy Learning Trust from the Local Authority for £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair values and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net loss in the statement of financial activities as charitable activities – transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the statement of financial activities.

<b>Academy</b>	<b>Location</b>	<b>Date of conversion</b>			
Laurence Jackson School	Guisborough	1 February 2020			
		<b>Unrestricted funds</b>	<b>Restricted funds:</b>		<b>Total</b>
		<b>£</b>	<b>General</b>	<b>Fixed asset</b>	<b>2020</b>
<b>Net assets transferred:</b>			<b>£</b>	<b>£</b>	<b>£</b>
Fixed assets		-	-	288,303	288,303
Cash		218,548	-	-	218,548
Pension scheme deficit		-	(2,782,000)	-	(2,782,000)
		<u>218,548</u>	<u>(2,782,000)</u>	<u>288,303</u>	<u>(2,275,149)</u>

The buildings occupied by the school are subject to a PSBP PFI contract as detailed in the accounting policies.