

Company registration number 07908404 (England and Wales)

**LORD LAWSON OF BEAMISH ACADEMY  
(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

# **LORD LAWSON OF BEAMISH ACADEMY**

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# LORD LAWSON OF BEAMISH ACADEMY

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Members

A H Leaf  
C Matthias  
J Kelly

### Trustees

A J Logan  
C P Smith  
G J Currey (Chair)  
A Fowler (Accounting Officer)  
J S Halpin  
H McClean  
J Greenwell (Resigned 1 September 2022)  
K Thompson  
L Doran (Resigned 18 September 2023)  
K Barron  
C Gibson  
A R Mears  
D Bell  
L Jobling (Appointed 22 March 2023)  
D Laybourne (Appointed 18 October 2023)

### Senior management team

- Principal	Andrew Fowler
- Deputy Principal	Joe Dicocco
- Deputy Principal	Ian Cooper
- Assistant Principal	Sue Nellist (Resigned 31 August 2023)
- Assistant Principal	Kate Kendall
- Assistant Principal	Alexander Rayner
- Assistant Principal	Louise Ford
- Assistant Principal	Paul Walsh
- Assistant Principal	Helen Potter (Appointed 1 January 2023)
- Assistant Principal	Dave Cave (Appointed 19 June 2023)
- Business Manager	James Pedlingham

### Company secretary

S Wakefield

### Company registration number

07908404 (England and Wales)

### Registered office

Birtley Lane  
Birtley  
County Durham  
DH3 2LP  
United Kingdom

### Independent auditor

Azets Audit Services  
Wynyard Park House  
Wynyard Avenue  
Wynyard  
TS22 5TB  
United Kingdom

# LORD LAWSON OF BEAMISH ACADEMY

## REFERENCE AND ADMINISTRATIVE DETAILS

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### **Bankers**

Lloyds Bank plc  
19 Market Place  
Durham  
County Durham  
DH1 3NL  
United Kingdom

### **Solicitors**

Womble Bond Dickinson  
St Anns Wharf  
112 Quayside  
Newcastle Upon Tyne  
Tyne And Wear  
NE1 3DX  
United Kingdom

# **LORD LAWSON OF BEAMISH ACADEMY**

## **TRUSTEES' REPORT**

### ***FOR THE YEAR ENDED 31 AUGUST 2023***

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The trustees present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a trustees' report, and a directors' report and strategic report under company law.

The Trust operates an Academy for pupils aged 11 to 18 serving a catchment area of Birtley, Gateshead with about 48% of students coming from the five cluster schools in the immediate vicinity of Birtley and the rest coming from primary schools across three other local authority areas. It has a pupil capacity of 1500 and had a roll of 1347 on October PLASC day 2022.

#### **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 Lord Lawson of Beamish Academy Trust Limited are also directors of the charitable company for the purposes of company law. The charitable company is known as Lord Lawson of Beamish Academy.

Details of the trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administration 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

Every trustee of the Academy Trust shall be indemnified out of the assets of the Academy Trust against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty, or breach of trust in relation to the affairs of the academy trust.

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

The members of the academy shall comprise the signatories to the Memorandum of Association and any other person appointed under Article 16 of the Articles of Association.

Details of the Board of Trustees are shown in reference and administration details on page 1. The number of trustees at any one time shall not be less than three (unless otherwise determined by ordinary resolution) and shall not be subject to any maximum.

Subject to Articles 48-49 and 64, of the Articles of Association the Academy Trust shall have the following trustees:

- a) Up to 9 trustees appointed by the members under article 5;
- b) Up to 3 staff trustees, if appointed under article 50A;
- c) Up to 1 LA trustee, if appointed under article 51;
- d) Up to 7 (and a minimum of 2) parent trustees appointed under articles 53-58;
- e) The Principal shall be treated for all purposes as an ex officio trustee;
- f) Any additional trustees, if appointed under article 62, 62A, 62C, or 68A; and
- g) Any further trustees, if appointed under Article 63 or article 68A.

The Academy Trust may also have any co-opted trustees appointed under article 58

# **LORD LAWSON OF BEAMISH ACADEMY**

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

***FOR THE YEAR ENDED 31 AUGUST 2023***

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

The School and Governor Support Service of the Local Authority produce an annual training course directory which allows new trustees to access induction training, as well as providing courses which are relevant to existing trustees. The content of the directory is reviewed each year to reflect any changes in practice and legislation. Trustees also have access to the website and a trustee information file to assist in their induction. Trustees may also attend relevant sessions taking place in the academy on staff professional development days. This includes an annual safeguarding refresher course, provided to all academy staff.

All trustees have completed a skills audit to identify level of skills, knowledge and experience and identify their training needs.

Prospective trustees meet with the chair and/or vice chairs of trustees prior to appointment to learn more about the Academy and to become familiar with it. Bespoke induction sessions and continuing development sessions are arranged upon appointment as a trustee. All trustees receive a handbook, updated each year, detailing the structure of the Academy Trust, terms of reference, a code of conduct and an analysis of the Academy's current position and key priorities.

As members of the National Governors Association all trustees receive weekly email updates offering advice and guidance to trustees and allowing them to keep up to date with current issues in education.

### Organisational structure

The Members are the owners of the company in the same way as shareholders, and are responsible for safeguarding the ethos of the academy. They hold the trustees to account for the operation of the academy and fulfil this responsibility by reviewing the position at an Annual General Meeting and an additional meeting in which the Chair of Trustees presents a report for consideration by the Members. The members appoint a proportion of the trustees and may remove trustees if they have concerns.

The trustees' role is at a strategic level ensuring that the company acts at all times within its charitable objects as specified in the Articles of Association achieving successful outcomes for its students. Responsibility for the day to day operation of the academy is delegated to the Principal and Senior Leaders.

Meetings of the Board of Trustees shall take place at least once a term with additional meetings as required operating under agreed terms of reference. To assist the decision making of the Board of Trustees, and to enable more detailed conversation to be given to the best means of fulfilling the Board of Trustees responsibilities, the following committees are in place.

- Academy Management Committee
- Student Progress Committee
- Discipline, Appeals and Complaints Committee
- Academy Restructure Committee
- Principal's Performance Management Committee

# LORD LAWSON OF BEAMISH ACADEMY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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

The Academy has a Performance Appraisal Policy which sets out the framework for a clear and consistent assessment of the overall performance of the Principal and Senior Leadership Team and supports their development needs within the context of the School Improvement Plan.

The performance appraisal cycle for leadership posts runs from 1 September to 31 August with the main review period in the first half of the autumn term.

Objectives will be set at the start of the performance appraisal period and aligned with academy development priorities, as well as reflecting an individual's professional aspirations.

Assessment of performance throughout the cycle is against set performance criteria and will be the basis on which any recommendation for remuneration is made by the reviewer.

The Principal will be the reviewer for Senior Leadership Team and will undertake performance appraisal reviews for all members of the leadership team by the October half term.

The Board of Trustees is the reviewer for the Principal and has discharged this responsibility to a performance appraisal committee. The performance appraisal cycle for the Principal will run from September to September.

All requests for pay progression will be submitted to the Academy Management Committee for approval.

#### Trade union facility time

##### *Relevant union officials*

Number of employees who were relevant union officials during the relevant period

1

Full-time equivalent employee number

1.00

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

Percentage of time

Number of employees

0%

-

1%-50%

1

51%-99%

-

100%

-

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

Total cost of facility time

5,266

Total pay bill

7,136,101

Percentage of the total pay bill spent on facility time

0.08%

##### *Paid trade union activities*

Time spent on paid trade union activities as a percentage of total paid facility time hours

-

#### Related parties and other connected charities and organisations

The Academy does not work in federation with any other organisations but has relationships with other schools and colleges as well as external businesses to assist in the achievement of the academy objectives.

# LORD LAWSON OF BEAMISH ACADEMY

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Objectives and activities

#### Objects and aims

The Academy Trust's object ("the Object") is specifically restricted to the following;

- To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.
- To promote for the inhabitants of the area surrounding the Academy the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

#### Objectives, strategies and activities

##### Review of 2022-23

During the 2022-23 academic year, the academy continued to work on its principal objectives, as outlined in the school development plan. These objectives were carried forward from the previous year, and represented continuity with the objectives set during the academy's participation in the Opportunity North East (ONE) School Vision Programme, funded by the Department for Education (DfE).

The overall measurable aims for the ONE Vision programme were that "each ONE Vision school should achieve a progress score of at least 0 and receive an Ofsted judgement, 'Good' within 3 years." The academy achieved both measurable aims during the academic year 2022-23, a very significant milestone marking the academy's recovery and improvement.

The academy's Progress 8 score for 2023 was calculated by the DfE as -0.09 (North East schools' average: -0.27). In the context of a cohort containing a higher proportion of students from disadvantaged backgrounds than in the previous year (31% disadvantaged in 2023; 25% disadvantaged in 2022), the academy's Progress 8 score was thus sustained from 2022 (2022 academy's Progress 8: -0.07; North East schools: -0.24). Progress 8 is calculated on a national average of progress made by students from their end of Key Stage 2 results to their GCSEs or equivalent vocational qualifications. A Progress 8 measure of zero equates to the national average. Students at Lord Lawson therefore made similar progress, on average, to all students nationally during 2023, and substantially better (by a quarter of a grade per subject) than other schools in the North East region. The academy's 2023 results also represent a significant improvement on the academy's previous performance, when compared with the results in 2019 (Progress 8: -0.51), the last comparable set of national published results.

A team of Ofsted inspectors, including two of His Majesty's Inspectors, visited the academy on 15-16 November 2022 to undertake a full inspection. This was the academy's first graded inspection since it was judged 'Requires Improvement' for the second time in 2019. In the interim period, the academy had received two monitoring visits from Her Majesty's Inspectors. The Ofsted inspection report, which was published on 19 January 2023, judged the academy to be 'Good' in every area. Only one suggestion for improvement was identified, to deploy "a sufficiently strategic approach to ensuring that pupils from a disadvantaged background have the support that they need." This suggestion has informed the academy's Disadvantaged Strategy. The attainment of a 'Good' inspection judgement, against a more demanding inspection framework than that which operated in 2019, represents important external validation of the considerable work undertaken by academy leaders, including governors, over the previous four years.

Both before and after the inspection, academy leaders have continued to focus on the five areas of improvement identified in the school development plan. These are to:

- Improve the quality of education, in terms of teaching and learning, the curriculum, and outcomes for students
- Improve students' behaviour, attitudes and self-regulation
- Improve the provision and outcomes for students' personal development
- Improve the effectiveness of leadership and management at all levels, including governance
- Improve finances: the efficiency of curriculum and teaching time, and the value-for-money of contracts.



# **LORD LAWSON OF BEAMISH ACADEMY**

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

### ***FOR THE YEAR ENDED 31 AUGUST 2023***

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In 2022-23, the academy continued to receive 'catch-up' funding from the DfE in recognition of the damage to children's education that had occurred during the COVID-19 pandemic. The academy chose to spend this money in a variety of ways to help students recover educationally. These included employing a teacher of reading (part-time), employing an additional teaching assistant, heavily subsidising trips and extra-curricular activities (including providing these free of charge to disadvantaged students), providing funds for tutoring by academy staff outside school hours, and providing structured revision resources to all students in examination years free of charge. Governors receive regular reports to enable them to monitor the extent and impact of this expenditure.

Students' attendance had also been impacted by changes in engagement that began before the COVID-19 pandemic and have continued since, becoming a national challenge. The academy chose to be proactive in addressing this. Two new attendance officers were employed, and new software and systems for monitoring attendance have been deployed. An increased emphasis has been placed on engaging with parents, and the number of home visits made has increased sharply. A programme of attendance incentives and rewards for excellent attendance was introduced, including the hiring of inflatables for a day, and an end-of-year trip to Flamingo Land in North Yorkshire. The impact of these measures has been a 3% improvement in attendance in 2022-23, compared with the previous academic year. Attendance at school ended the year above the regional average and only slightly below the national average.

Individual students' needs have been given additional focus by the expansion of the senior leadership team to include an Assistant Principal (SENDCo) role in January 2023. The previous SENDCo, a middle leader role, has become Deputy SENDCo, retaining her skills and experience within the academy. Three additional teaching assistants have been employed, each with their own SEND specialism. The deployment of these additional teaching assistants in classrooms and in bespoke interventions, to offer targeted support to identified students and to offer specialist SEND advice and support to teaching staff, has meant that the wider ranging needs can be met of a larger number of students identified as having special educational needs and/or disabilities.

The academy's Personal Development programme for students has continued to expand. This programme is made up of the taught Personal Development Curriculum, the assembly programme and tutor time activities, extra-curricular activities, and opportunities for student leadership. The Personal Development Curriculum continues to be taught in fortnightly lessons for all students, including those in the sixth form. The curriculum is responsive to local needs and national trends, and is updated and re-resourced regularly. Each year group has a weekly assembly, led by a mixture of senior leaders, year leaders and visiting speakers. Topics include national safeguarding priorities such as keeping safe online and anti-bullying initiatives, significant national occasions such as Black History Month and Holocaust Memorial Day, and local priorities such as road safety and the Birtley Food Bank. Tutor time activities extend engagement in these weekly themes, as well as building in opportunities for reading, and the regular review of attendance and behaviour. Celebration assemblies are held regularly, to recognise the achievements, good behaviour and excellent attendance of students.

Over 50 clubs and activities are offered to students each week, either at lunchtime or after school, catering for the widest range of interests, including sport, art, technology and performing arts, as well as Chess Club, Pride Club and Anime Club. Outside this programme, the academy also offers the Duke of Edinburgh's Award Scheme and a programme of training and competitions for sports teams. A very successful production of Matilda, the Musical (Junior) was staged for four nights in October 2022. Sporting achievements continue to be recognised and celebrated at the academy. Some examples include Gateshead Secondary Schools and Tyne & Wear XTEND Panathlon Champions (team competition for any student on the SEND register, multiple events including a variety of activities mainly focussing on throwing, running and jumping), Washington, Chester-le-Street and Derwentside U14 Girls District Football League Winners, Year 8 Girls Gateshead Schools Sportshall Athletics Champions and Year 8 Girls Gateshead Schools Sportshall Athletics Champions. Clubs and activities also offer opportunities for student leadership. Leadership is also developed through form representation to the Year and School Councils, Head Girl/Boy and deputies in both the lower school and the sixth form, and training for academy ambassadors in reading, anti-bullying and mental health. The academy has continued to subsidise curriculum and extra-curricular trips and visits, with a particular focus on encouraging participation by disadvantaged students. The academy's provision in the area of Personal Development was held up for particular praise by Ofsted inspectors.

# **LORD LAWSON OF BEAMISH ACADEMY**

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

### ***FOR THE YEAR ENDED 31 AUGUST 2023***

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In the face of an increasingly challenging climate for teacher recruitment nationally, the academy maintained full staffing by specialist teachers. Staff turnover remained low. Owing to student choices and pathways for GCSEs and vocational subjects, there was a need to reduce surplus staffing in Art and Technology by the equivalent of one full-time post. This was achieved without the need for redundancy. Appraisal for teaching staff continued to be reformed during the year, emphasising the development potential of carefully formulated appraisal objectives and giving teachers more agency in their appraisal and more input into their own professional development. This change has been welcomed by teachers, and levels of staff engagement in evidence-informed professional development have increased during the year.

Staff training has focused on the introduction of the academy's teaching and learning framework, based on research and evidence. The academy has continued to group teaching staff into small professional learning groups, to tailor training to staff development needs, to enable informal exchanges of ideas, and to use peer feedback to help good practice embed throughout the academy. Formal professional development sessions have been led by senior members of staff from the teaching and learning team. The impact of this training has been seen in the increased application of cognitive science to inform lesson planning and teaching practices. Consistency of good practice has been improved, particularly with regard to lesson routines, and this has been monitored and encouraged by quality assurance work and learning walks undertaken by middle leaders and senior leaders.

Leadership at all levels has continued to become more effective, through clear lines of accountability from the Principal, through senior leaders to middle leaders. Regular and frequent line management meetings enable consistent work streams to be directed and monitored. These meetings also enable developmental coaching conversations to take place. During the academic year 2022-23, 14 middle and senior leaders completed National Professional Qualifications (NPQs) at different levels, benefiting from subsidies from the Department for Education. By the end of the year, the Principal and both Deputy Principals were on track to complete appropriate NPQs for Headship and Executive Leadership. Governors have continued to develop their skills through appropriate training courses, accessing training through the Local Authority and through other training providers. Governors have continued to exercise independent scrutiny of the effectiveness of the academy, through link visits, through rigorous questioning of senior leaders at governors' meetings, and through the employment of a highly experienced School Improvement Partner.

The academy's finances have remained under close scrutiny and control, ensuring value for money. Governors continue to monitor the academy's finances through monthly management accounts and through their scrutiny of quarterly reforecasting processes. Expected rises in fuel costs and the price of other commodities, following the Russian invasion and ongoing occupation of parts of Ukraine, were only partially realised, leading to rises in expenditure that were largely matched by increases in income during the year. The academy has adequate levels of reserves at the end of the financial year under report to sustain its educational activities for the foreseeable future. Cash not needed for immediate monthly expenses of payroll and purchase ledger has been invested to provide further income.

#### Public benefit

We have referred to the Charity Commission's guidance on public benefit when reviewing our aims and objectives and in planning our future activities. The Academy has provided a fully comprehensive education to all students in its care and seeks to support its wider educational objectives via a strong community role.

## **Strategic report**

### **Achievements and performance**

The academy achieved 'Good' judgements in all areas from an Ofsted inspection in November 2022, the report being published in January 2023. All areas highlighted in previous monitoring visits had been addressed. The academy continues to operate with a strong and clear moral purpose. Its vision statement continues to assert that "Together we grow, learn and succeed." This vision is underpinned by the academy's values of Trust and Respect, Courage and Ambition, which continue to inspire the daily work and life of the Trust.

# LORD LAWSON OF BEAMISH ACADEMY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### Key performance indicators

Public examinations continued to be held in 2023. Changes made in the grading of examinations by Ofqual and the examination boards meant that the 2023 results nationally were lower than those in 2022, and were more directly comparable with the results of nationally validated public examinations previously held in 2019. Comparisons of 2023 results with results in 2022 should be approached with caution, therefore.

GCSE attainment and progress:

Average Attainment 8 score: 47.3

Average Progress 8 score: -0.09

Performance of disadvantaged students and comparison of males and females:

	<b>All</b>	<b>Disadvantaged</b>	<b>Male</b>	<b>Female</b>
Cohort size	228	71 (31%)	99 (43%)	129 (57%)
Average Attainment 8 score	47.3	35.9	45.5	48.6
Average Progress 8 score	-0.09	-0.7	-0.17	-0.02

High performing subjects, in terms of progress, included Music, Dance, Construction, German, Graphical Design, Business Studies (GCSE), Photography, French, Geography, Drama, Physical Education, Hospitality and Catering, Art and Design, Mathematics, Child Development, and Biology.

Subjects where improvement is needed, in terms of progress, included Computer Science, History, Chemistry, Religious Education, Textiles, and English Literature.

Sixth Form results:

Average point score and grade (all qualifications):	32.75 C+
Average point score and grade (A level only):	33.56 C+
Average point score and grade (Applied general only):	28.21 M+
Average point score and grade (Best 3 A levels):	104.14 total, 34.71 per A level, C+ average grade

# **LORD LAWSON OF BEAMISH ACADEMY**

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

### **FOR THE YEAR ENDED 31 AUGUST 2023**

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#### Going concern

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

Starting in 2018, the Board of Trustees began to deal with a significant projected financial difficulty. Projecting the academy's income, expenditure and reserves over a 3-year period enabled them to see that, if the Trust had done nothing, it would have been faced with a deficit of £4.3 Million by the end of 2021/22. In common with many schools, the academy faces increasing staffing and resources costs that are not matched by corresponding increases in its funding. The Board of Trustees has taken action to ensure that the academy's finances are sustainable for the foreseeable future.

The Board of Trustees, working with the academy's senior leaders, takes a strategic approach to financial stability and the continued viability of the academy. These strategic moves include improvements to the academy's academic effectiveness and an improvement in the sustainability of the academy's admission numbers, strategic financial management of the academy's budget, and rigorous curriculum-led financial planning. These initiatives has resulted in improvements in the academy's efficiency and effectiveness.

Since the appointment of the current Principal in June 2019, rigorous and significant plans have been developed by the academy's senior leaders, monitored by the Board of Trustees, to improve the culture of the academy (including standards of student behaviour) and the quality of teaching and learning. These approaches have fundamentally changed the structure and effectiveness of senior and middle leadership, staff development, support for students with special educational needs and/or disabilities (SEND), and the ways in which students approach public examinations. The academy's improvements have been supported by the Department for Education, through the academy's membership of the Opportunity North East School Vision programme and the national Behaviour Hub programme, and DfE subsidies for the NPQ programme. The academy has benefited from the support of excellent local schools, and it continues to work in close collaborative partnership with several of these schools. Improvements at the academy led to a marked improvement in student progress in 2022, which was sustained in 2023. The improvement in the academy's Ofsted inspection grading has led to a very noticeable and positive effect on the academy's popularity with parents in the locality and its reputation and standing in the local community. This has led to an increase in the numbers wishing to attend the academy. Most year groups are now full. Sixth form numbers have stabilised. Improvements in the sixth form and in the lower school, and better relationships with neighbouring 11-16 schools, are expected to result in a steady increase in sixth form numbers over successive years, further improving the sustainability of the academy's financial position.

Since 2020, a rigorous programme of curriculum-led financial planning has been in place. This involves senior leaders, including trustees, reviewing the academy's curriculum plans, including staffing levels, and adjusting plans accordingly. Significant changes have been made in the approach to staff levels and class sizes, staff teaching allocations, the employment and mentoring of early career teachers, and the support of students with SEND. These changes have improved the efficiency of the academy's academic and support staffing, whilst at the same time bringing about improvements in academic and personal development outcomes. Since expenditure on staffing constitutes the academy's largest overall expenditure, efficiencies in this area have improved and continue to benefit the academy's overall efficiency and viability. The academy has been able to add to and maintain its reserves, providing financial security against possible inflationary increases in costs or real-terms decreases in per-student income. Since 2021, with the appointment of a new Academy Business Manager and a new finance manager, both of whom brought considerable experience and expertise, the academy has been able to improve its financial systems, bringing in new accounting software and a rigorous system of quarterly review and reforecasting. These improved systems have improved the quality of information provided to the Board of Trustees, and have enabled them to carry out their duties of financial oversight and scrutiny more effectively. For these reasons, the Board of Trustees believe it is appropriate to adopt the going concern basis in preparing its financial statements.

# **LORD LAWSON OF BEAMISH ACADEMY**

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

### ***FOR THE YEAR ENDED 31 AUGUST 2023***

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#### **Financial review**

The Academy's Financial Procedures Manual ensures that the Lord Lawson of Beamish Academy Trust maintains and develops systems of financial control to conform with both propriety and good financial management to meet the requirements of the Education Skills Funding Agency. All expenditure of the Academy Trust is made in line with this manual and as such, supports the provision of education for all pupils on roll.

The principal source of the academy's income is obtained from the ESFA in the form of recurrent grants the use of which is restricted for specific purposes. Such grants and associated expenditure are shown as restricted funds in the statement of financial activities for the period ending 31 August 2023.

During the period ending 31 August 2023 total movement in general and unrestricted reserves was £78k. Budget and expenditure are reviewed at meetings of the Academy Management Committee which meets every term and shortfalls in the budget are met by existing reserves as well as staffing and other financial efficiencies which are made during the year.

A deficit budget was approved by Trustees in July 2022 for the financial year 2022-23 which would see the Academy aim to achieve a deficit of £166,376. Despite this deficit the Academy Trust will hold reserves at a level in excess of its Reserves Policy until at least the end of 2023/24. The Board of Trustees will keep matters under constant review.

#### Reserves policy

The Academy Management Committee monitor financial performance on a monthly basis against budget and the quarterly reforecast. Financial reports are presented at each committee meeting and distributed on a monthly basis. Reports include profit and loss, balance sheet, cashflow, COVID recovery expenditure and capital income and expenditure.

Trustees consider it appropriate to hold funds in free reserves of between £550k and £600k. This is equivalent to one month's average pay costs.

At the end of this financial year 31 August 2023 balance of monies in the bank is £3,702k. General and unrestricted reserves were £2,393k.

The reserves and investment policy was reviewed and approved by Trustees in 2022-23.

#### Investment policy

A reserves and investment policy was approved by trustees in 2022-23. The policy defines reserves, outlines the trustees approach to risk and provides guidance as to how reserves are managed and invested.

Throughout the year investments were made with the academy's bank (Lloyds) in low risk 30 and 90 day savings accounts. These accounts had unrestricted access in the unlikely event that immediate access was needed. At the end of each period cashflow was reviewed and further periods of investment were implemented.

In 2022-23 the total investment income received was £16,610.

# LORD LAWSON OF BEAMISH ACADEMY

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Principal risks and uncertainties

As a successful academy, every year a key risk is competition from neighbouring schools and academies. A regular review takes place by senior leaders and the Board of Trustees to consider how the academy communicates with current parents/carers and prospective parents to ensure that the academy remains a popular choice in the local community and further afield. Since the academy's improved Ofsted inspection grading in November 2022, and two years of better progress in terms of students' academic outcomes, it is evident that the academy is now outperforming many of its nearest neighbours. Changes by the government to the funding formula affecting levels of future funding can appear unpredictable; however, there have been small increases in the amount of funding the academy has received over the past year. Increasing costs potential put strain on the academy's budget and therefore in principle on the long term viability of the academy. The development and monitoring of a three year budget plan enables trustees to ensure that sufficient funds are held in reserve to help prevent the academy facing a deficit situation in the future.

The academy maintains a risk management plan. Through its committee structure – overseeing the work of the academy through the Student Progress Committee and the Academy Management Committee – trustees are able to monitor the principal academic and financial risks to the academy. Risks are monitored at each committee meeting, and a consolidated risk management plan is presented to the Full Governing Body meeting.

The academy's estate is in very good order with a PFI contract in place. Annual life-cycle maintenance programmes are well planned and agreed.

### **Fundraising**

The academy raises funds for local and national causes, such as the Birtley Food Bank, Samantha's Legacy (supporting the families of victims of knife crime), Children in Need, Macmillan Cancer Care, Jeans for Genes, and the Anti-Bullying Alliance. All monies raised are donated to the relevant charity. No funds are raised for use in the academy.

### **Plans for future periods**

Leaders of the academy, including trustees, plan to maintain the academy's current 'Good' Ofsted inspection grading, to continue to improve standards of academic progress and personal development, and to continue to improve engagement with stakeholders including parents and members of the local community. To achieve these goals, key priorities have been identified through the academy's self-evaluation process. Capital expenditure plans are being developed and will be presented to the committees for approval. The plans will consider capital expenditure over the next five years.

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


The Academy and its trustees do not act as the Custodian of any other Charity.

### **Auditor**

In so far as the trustees are aware:-

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

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 06/12/23 and signed on its behalf by:



G J Currey  
Chair

# LORD LAWSON OF BEAMISH ACADEMY

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Lord Lawson of Beamish Academy has an effective and appropriate system of control both 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 Principal, 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 Lord Lawson of Beamish Academy and Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

### Governance

The Board of Trustees met formally 4 times during the reporting period. The dates are timetabled at the end of the previous academic year. Reports are submitted by the Principal at each meeting giving updates on performance, quality of teaching and learning, student welfare, and financial performance.

In this academic and financial year the full governing body met four times, the Academy Management Committee met four times and the Student Progress met three times.

Trustees	Meetings attended	Out of possible
A J Logan	4	4
C P Smith	1	4
G J Currey (Chair)	4	4
A Fowler (Accounting Officer)	4	4
J S Halpin	3	4
H McClean	4	4
J Greenwell (Resigned 1 September 2022)	3	4
K Thompson	4	4
L Doran (Resigned 18 September 2023)	4	4
K Barron	3	4
C Gibson	1	2
A R Mears	1	2
D Bell	1	4
L Jobling (Appointed 22 March 2023)		
D Laybourne (Appointed 18 October 2023)		

The Academy Management Committee is a sub-committee of the main Board of Trustees. Its purpose is to assist in the decision making of the governing body, by enabling more detailed consideration to be given to the best means of fulfilling the Board of Trustees' responsibility to ensure sound management of the Academy's finances, staffing and resources, including proper planning, monitoring and probity.

The Committee met four times during the current year and work has focused on the budget and its impact on three-year budget projections, monitoring the yearly budget and aged debtors and creditors, assessing risks, reviewing requests for pay moves and any pay increases and reviewing performance of key contracts. Monthly management accounts are distributed to all Trustees on a monthly basis.

L Doran was the Chair of the AMC supported by Kevin Thompson as Vice Chair.

# LORD LAWSON OF BEAMISH ACADEMY

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
A J Logan	3	4
C P Smith	1	4
G J Currey (Chair)	4	4
A Fowler (Accounting Officer)	2	4
J S Halpin	3	4
K Thompson	4	4
L Doran (Resigned 18 September 2023)	1	4
A R Mears	1	4

#### Conflicts of interest

A fully signed conflicts of interest is compiled at the first full governing body meeting of the year in September. This is a standing item at every Trustee and committee meeting whereby it is checked and updated if required. The Trustees review and approved any declared conflicts.

#### Governance reviews

A specific governance self-assessment took place in the financial year. A number of areas were reviewed as part of the internal scrutiny work..

#### Review of value for money

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

#### Staffing

The 2022-23 budget was approved following extensive curriculum led financial planning. The staffing allocation was fundamentally based on curriculum design and student numbers. During the year vacancies that arose were reviewed without automatic replacement.

#### Lettings

We continue to attempt to optimise lettings of the school's facilities to bring in an income.

#### Purchase Ledger Suppliers

At the time of implementing the new financial software in September 2023 a full review of the suppliers listed on the purchase ledger was completed. The number of listed suppliers was reduced.

#### Utilities

The academy purchases its utilities through a service level agreement with Gateshead Council. The supply for gas and electricity is purchased through North East Purchasing Organisation. Despite the significant cost increases over the accounting period the cost of these utilities has been well managed and included an electricity government discount.



# **LORD LAWSON OF BEAMISH ACADEMY**

## **GOVERNANCE STATEMENT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2023**

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

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims, and objectives, to evaluate the likelihood of 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 Lord Lawson of Beamish Academy and during this accounting period three on-site visits took place by our appointed internal auditors Clive Owen

### **Capacity to handle risk**

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2022 to 31 August 2023 and up to date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

### **The risk and control framework**

The Academy Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties, and a system of delegation and accountability. 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 Academy Management 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 purpose of the internal assurance was to provide the governing body with independent assurance that: -

- The financial responsibilities of the governing body are being properly discharged
- Resources are managed in an efficient, economical and effective manner
- Sound systems of internal financial control are being maintained
- Financial considerations are taken into account in reaching decisions.

During the period of the accounts Clive Owen undertook three on-site internal assurance visits

Following each visit a comprehensive report together with a summary of main findings was received. The reports were shared and discussed with members of the Academy Management Committee together with management responses.

Key recommendations included

- Fixed Asset Funding Source
- Renew membership of the ICO
- Review of the Pecuniary Interests for budget holders
- Cash flow forecast is completed on a monthly basis
- Review of the website and how information is shared and kept up to date

# LORD LAWSON OF BEAMISH ACADEMY

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Review of effectiveness

As Accounting Officer, the Principal 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 Auditor
- The work of the Internal Auditor
- The work of the Principal Finance Officer who has responsibility for the development and maintenance of the internal control framework

The Accounting Officer has been advised of the implications of the result of external audits of internal control with all reports being presented to the Academy Management Committee for acceptance.

Approved by order of the board of trustees on 06/12/23 and signed on its behalf by:



G J Currey  
Chair



A Fowler  
Accounting Officer

# **LORD LAWSON OF BEAMISH ACADEMY**

## **STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE**

***FOR THE YEAR ENDED 31 AUGUST 2023***

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As accounting officer of Lord Lawson of Beamish Academy, 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, including for estates safety and management, 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 Academy Trust Handbook 2022, including responsibilities for estates safety and management.

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 Academy Trust Handbook 2022.

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.



A Fowler  
**Accounting Officer**

6.12.2023  
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# **LORD LAWSON OF BEAMISH ACADEMY**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

**FOR THE YEAR ENDED 31 AUGUST 2023**

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The trustees (who are also the directors of Lord Lawson of Beamish Academy for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2022 to 2023 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:

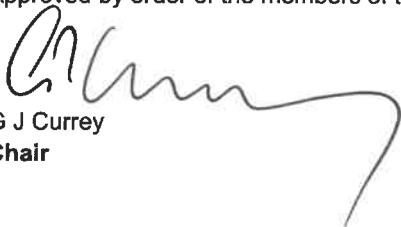
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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 06/12/23 and signed on its behalf by:

  
G J Currey  
Chair

# **LORD LAWSON OF BEAMISH ACADEMY**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LORD LAWSON OF BEAMISH ACADEMY**

***FOR THE YEAR ENDED 31 AUGUST 2023***

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### **Opinion**

We have audited the accounts of Lord Lawson of Beamish Academy for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the accounts, including 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 2022 to 2023 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 2023 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 2022 to 2023.

### **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.

### **Emphasis of matter - LGPS Disclosure**

We draw your attention to note 2 to the financial statements which describes how the LGPS balance has been accounted for. Our opinion is not modified in respect of this matter.

### **Conclusions relating to going concern**

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

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

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

### **Other information**

The other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the accounts themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# **LORD LAWSON OF BEAMISH ACADEMY**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LORD LAWSON OF BEAMISH ACADEMY (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2023***

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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.

### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

# **LORD LAWSON OF BEAMISH ACADEMY**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LORD LAWSON OF BEAMISH ACADEMY (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2023***

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We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of senior leadership, Governors/Trustees and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations including compliance with the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency;
- Performing audit work over the recognition of grant income and the allocation of expenditure to funds;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

# **LORD LAWSON OF BEAMISH ACADEMY**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LORD LAWSON OF BEAMISH ACADEMY (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2023**

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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.



**Angela Ingham FCA (Senior Statutory Auditor)**  
for and on behalf of Azets Audit Services

19/12/2023

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

Wynyard Park House  
Wynyard Avenue  
Wynyard  
United Kingdom  
TS22 5TB



# **LORD LAWSON OF BEAMISH ACADEMY**

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO LORD LAWSON OF BEAMISH ACADEMY AND THE EDUCATION AND SKILLS FUNDING AGENCY**

***FOR THE YEAR ENDED 31 AUGUST 2023***

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In accordance with the terms of our engagement letter dated 22 August 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Lord Lawson of Beamish Academy during the period 1 September 2022 to 31 August 2023 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 Lord Lawson of Beamish Academy and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Lord Lawson of Beamish Academy and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Lord Lawson of Beamish Academy and ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of Lord Lawson of Beamish Academy's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Lord Lawson of Beamish Academy's funding agreement with the Secretary of State for Education dated 1 March 2012 and the Academy Trust Handbook, extant from 1 September 2022, 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 2022 to 2023. 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 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

### **Approach**

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

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

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

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

# **LORD LAWSON OF BEAMISH ACADEMY**

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO LORD LAWSON OF BEAMISH ACADEMY AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2023**

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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 2022 to 31 August 2023 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: 19/12/2023

# LORD LAWSON OF BEAMISH ACADEMY

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds £	Restricted funds: General £ Fixed asset £	Total 2023 £	Total 2022 £
<b>Income and endowments from:</b>					
Donations and capital grants	3	-	-	82,723	30,623
Charitable activities:					
- Funding for educational operations	4	-	9,996,893	-	9,857,877
Other trading activities	5	133,675	-	-	100,230
Investments	6	16,931	-	-	390
<b>Total</b>		150,606	9,996,893	82,723	10,230,222
<b>Expenditure on:</b>					
Raising funds	7	47,422	-	-	50,849
Charitable activities:					
- Educational operations	8	-	10,082,123	168,604	10,151,357
<b>Total</b>	7	47,422	10,082,123	168,604	10,298,149
<b>Net income/(expenditure)</b>		103,184	(85,230)	(85,881)	(67,927)
Transfers between funds	17	-	(2,700)	2,700	-
<b>Other recognised gains/(losses)</b>					
Actuarial gains on defined benefit pension schemes	19	-	604,000	-	3,788,000
Pension asset not recognised		-	(541,000)	-	(93,000)
<b>Net movement in funds</b>		103,184	(24,930)	(83,181)	(4,927)
<b>Reconciliation of funds</b>					
Total funds brought forward		473,853	1,841,013	1,171,416	3,486,282
Total funds carried forward		577,037	1,816,083	1,088,235	3,486,282

# LORD LAWSON OF BEAMISH ACADEMY

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

FOR THE YEAR ENDED 31 AUGUST 2023

Comparative year information Year ended 31 August 2022	Notes	Unrestricted funds £	Restricted funds: General £	Fixed asset £	Total 2022 £
<b>Income and endowments from:</b>					
Donations and capital grants	3	1,322	-	29,301	30,623
Charitable activities:					
- Funding for educational operations	4	-	9,857,877	-	9,857,877
Other trading activities	5	100,230	-	-	100,230
Investments	6	390	-	-	390
<b>Total</b>		<b>101,942</b>	<b>9,857,877</b>	<b>29,301</b>	<b>9,989,120</b>
<b>Expenditure on:</b>					
Raising funds	7	50,849	-	-	50,849
Charitable activities:					
- Educational operations	8	-	9,970,180	181,177	10,151,357
<b>Total</b>	<b>7</b>	<b>50,849</b>	<b>9,970,180</b>	<b>181,177</b>	<b>10,202,206</b>
<b>Net income/(expenditure)</b>		<b>51,093</b>	<b>(112,303)</b>	<b>(151,876)</b>	<b>(213,086)</b>
Transfers between funds	17	-	(254,540)	254,540	-
<b>Other recognised gains/(losses)</b>					
Actuarial gains on defined benefit pension schemes	19	-	3,788,000	-	3,788,000
Pension asset not recognised		-	(93,000)	-	(93,000)
<b>Net movement in funds</b>		<b>51,093</b>	<b>3,328,157</b>	<b>102,664</b>	<b>3,481,914</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		422,760	(1,487,144)	1,068,752	4,368
Total funds carried forward		473,853	1,841,013	1,171,416	3,486,282

# LORD LAWSON OF BEAMISH ACADEMY

## BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
<b>Fixed assets</b>					
Intangible assets	12		-		1,594
Tangible assets	13		1,025,283		1,159,593
			1,025,283		1,161,187
<b>Current assets</b>					
Debtors	14	426,565		437,591	
Cash at bank and in hand		3,702,102		3,102,286	
		4,128,667		3,539,877	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	15	(1,672,595)		(1,214,782)	
<b>Net current assets</b>			2,456,072		2,325,095
<b>Net assets</b>			3,481,355		3,486,282
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>	17				
- Fixed asset funds			1,088,235		1,171,416
- Restricted income funds			1,816,083		1,841,013
<b>Total restricted funds</b>			2,904,318		3,012,429
<b>Unrestricted income funds</b>	17		577,037		473,853
<b>Total funds</b>			3,481,355		3,486,282

The accounts on pages 25 to 50 were approved by the trustees and authorised for issue on 06/12/23 and are signed on their behalf by:

G J Currey  
Chair

Company registration number 07908404 (England and Wales)

# LORD LAWSON OF BEAMISH ACADEMY

## STATEMENT OF CASH FLOWS

**FOR THE YEAR ENDED 31 AUGUST 2023**

	Notes	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>					
Net cash provided by operating activities	20		532,862		488,407
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		16,931		390	
Capital grants from DfE Group		82,723		29,301	
Purchase of tangible fixed assets		(32,700)		(332,540)	
<b>Net cash provided by/(used in) investing activities</b>			66,954		(302,849)
<b>Net increase in cash and cash equivalents in the reporting period</b>			599,816		185,558
Cash and cash equivalents at beginning of the year			3,102,286		2,916,728
<b>Cash and cash equivalents at end of the year</b>			3,702,102		3,102,286

# LORD LAWSON OF BEAMISH ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2023

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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 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

##### 1.2 Going concern

The trustees assess whether the use of going concern is appropriate, 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.

##### 1.3 Income

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

###### Grants

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.

# LORD LAWSON OF BEAMISH ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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### 1 Accounting policies

(Continued)

#### 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.

### 1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

#### Expenditure on raising funds

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

#### Charitable activities

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

### 1.5 Intangible fixed assets and amortisation

Intangible assets costing £3,000 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 over its expected useful life, as follows:

- Purchased computer software - 3 years straight line



# LORD LAWSON OF BEAMISH ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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### 1 Accounting policies

(Continued)

#### 1.6 Tangible fixed assets and depreciation

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

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

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

Building improvements	50 years straight line
Computer equipment	3 years straight line
Fixtures, fittings and equipment	5-10 years straight line

Land and buildings have not been transferred to the academy. The footprint of the school building is owned by the PFI company and occupied by the academy on a lease with the local authority. The remaining land is owned by Gateshead Borough Council and leased to the academy for 125 years. Additions to the building are funded by the Academy and have therefore been capitalised.

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

#### 1.7 Liabilities

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

#### 1.8 Leased assets

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

#### 1.9 Financial instruments

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

##### Financial assets

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

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

# LORD LAWSON OF BEAMISH ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 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.

#### 1.10 Taxation

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

#### 1.11 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated 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.

#### 1.12 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education and Skills Funding Agency and Department for Education where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received and include grants from the Education and Skills Funding Agency, Department for Education and Local Authority.

# LORD LAWSON OF BEAMISH ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### **1 Accounting policies**

**(Continued)**

#### **1.13 Private finance initiative**

The academy occupies buildings which have been procured by Gateshead Local Authority as a PFI project. The academy pays revenue contributions in respect of facilities management and in respect of lease payments for use of the facilities. The academy does not have any rights or obligations of ownership in respect of these assets, is restricted as to its use of the facilities, and therefore they are not included on the academy's balance sheet. The revenue payment for service (net of affordability gap contribution) and payment for use of the premises are recognised in the SOFA. The commitment to make future payments is disclosed in note 23.

#### **1.14 Agency arrangements**

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in the notes to the financial statements.

### **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.

# LORD LAWSON OF BEAMISH ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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

(Continued)

##### Local Government Pension Scheme

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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. 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. The UK corporate bond yields at 31 August 2023 are at their highest levels for many years resulting in higher accounting discount rates at the year end. This places a significantly lower value on the pension obligations compared to last year and will be one of the main reasons a net asset has been reported. We have ensured that our assumptions are appropriate for the Academy Trust and the valuation has been based on the following estimates:

- There is a minimum funding requirement in relation to LGPS
- There is the ability to recover a surplus through the ability to reduce future contributions (not refund)
- In calculating the surplus, the present value of current and past service costs is offset against the future contributions over the future period
- The present values in the above calculations are calculated using an annuity representing participation into perpetuity.

There is no known intention to exit the LGPS and therefore the economic benefit of a refund would be highly unlikely and on that basis recognition of an asset is considered inappropriate. We have however considered the economic benefit available to the Academy Trust as a future contribution reduction and whether it is appropriate to recognise the net asset in full. Under FRS 102, a net asset restriction may apply as the prevailing view is that a minimum funding requirement for future service exists in the LGPS. We requested our actuaries consider the impact of the minimum funding requirement on the asset ceiling and as a result we have restricted the asset to £nil based upon an asset restriction calculation. We consider this to be appropriate and a more accurate reflection of the pension positions as at 31 August 2023.

##### Depreciation

Depreciation is calculated as to write off the cost of an asset off over its useful economic life. The accounting policies are disclosed in the accounting policy above.

#### 3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Capital grants	-	82,723	82,723	29,301
Other donations	-	-	-	1,322
	<u>-</u>	<u>82,723</u>	<u>82,723</u>	<u>30,623</u>

# LORD LAWSON OF BEAMISH ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 4 Funding for the academy trust's charitable activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
<b>DfE/ESFA grants</b>				
General annual grant (GAG)	-	8,976,428	8,976,428	9,042,719
Other DfE/ESFA grants:				
- Pupil premium	-	351,844	351,844	359,924
- Rates	-	53,589	53,589	55,839
- Teachers pension grants	-	33,450	33,450	36,505
- Teachers pay grants	-	-	-	12,918
- Mainstream schools additional grant	-	109,577	109,577	-
- Supplementary grant	-	224,227	224,227	93,616
- Others	-	8,185	8,185	30,595
	-	9,757,300	9,757,300	9,632,116
<b>Other government grants</b>				
Local authority grants	-	127,543	127,543	87,415
<b>COVID-19 additional funding</b>				
<b>DfE/ESFA</b>				
Other DfE/ESFA COVID-19 funding	-	96,945	96,945	88,769
<b>Non-DfE/ESFA</b>				
Other COVID-19 funding	-	4,692	4,692	-
	-	101,637	101,637	88,769
<b>Other incoming resources</b>	-	10,413	10,413	49,577
<b>Total funding</b>	-	9,996,893	9,996,893	9,857,877

### 5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Lettings	17,860	-	17,860	9,943
Catering income	41,001	-	41,001	27,603
School trips	50,014	-	50,014	29,432
Other income	24,800	-	24,800	33,252
	133,675	-	133,675	100,230

# LORD LAWSON OF BEAMISH ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Short term deposits	16,931	-	16,931	390

### 7 Expenditure

	Staff costs £	Non-pay expenditure Premises £	Other £	Total 2023 £	Total 2022 £
Expenditure on raising funds					
- Direct costs	-	-	47,422	47,422	50,849
Academy's educational operations					
- Direct costs	6,538,893	-	531,638	7,070,531	6,620,059
- Allocated support costs	669,471	2,108,217	402,508	3,180,196	3,531,298
	7,208,364	2,108,217	981,568	10,298,149	10,202,206

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

	2023 £	2022 £
Operating lease rentals	22,218	21,986
Depreciation of tangible fixed assets	167,010	179,052
Amortisation of intangible fixed assets	1,594	2,125
Fees payable to auditor for:		
- Audit	10,900	7,100
- Other services	3,300	3,350
Net interest on defined benefit pension liability	(9,000)	54,000

### 8 Charitable activities

	2023 £	2022 £
All from restricted funds:		
<b>Direct costs</b>		
Educational operations	7,070,531	6,620,059
<b>Support costs</b>		
Educational operations	3,180,196	3,531,298
	10,250,727	10,151,357

# LORD LAWSON OF BEAMISH ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 8 Charitable activities

(Continued)

	2023 £	2022 £
<b>Analysis of support costs</b>		
Support staff costs	669,471	986,954
Depreciation and amortisation	168,604	181,177
Technology costs	78,231	7,396
Premises costs	1,939,613	1,938,587
Legal costs	4,691	13,902
Other support costs	296,272	380,002
Governance costs	23,314	23,280
	<u>3,180,196</u>	<u>3,531,298</u>

### 9 Staff

#### Staff costs

Staff costs during the year were:

	2023 £	2022 £
Wages and salaries	5,346,949	4,981,848
Social security costs	563,151	536,666
Pension costs	1,226,001	1,449,613
Staff costs - employees	<u>7,136,101</u>	<u>6,968,127</u>
Agency staff costs	30,112	99,596
Staff restructuring costs	42,151	20,800
	<u>7,208,364</u>	<u>7,088,523</u>
Staff development and other staff costs	40,152	22,526
Total staff expenditure	<u>7,248,516</u>	<u>7,111,049</u>

Staff restructuring costs comprise:

Redundancy payments	-	20,800
Severance payments	42,151	-
	<u>42,151</u>	<u>20,800</u>

#### Severance payments

The academy trust paid 2 severance payments in the year, disclosed in the following bands:

£0 - £25,000	2
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# LORD LAWSON OF BEAMISH ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 9 Staff

(Continued)

##### Special staff severance payments

Included in staff restructuring costs are special severance payments totalling £36,312 (2022: £9,180). Individually, the payments were: £17,456 and £18,856 (2022: £9,180).

##### Staff numbers

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

	2023 Number	2022 Number
Teachers	78	100
Administration and support	59	38
Management	11	8
	<u>148</u>	<u>146</u>

##### Higher paid staff

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

	2023 Number	2022 Number
£60,001 - £70,000	2	5
£70,001 - £80,000	3	1
£80,001 - £90,000	1	-
£100,001 - £110,000	-	1
£110,001 - £120,000	1	-
	<u>7</u>	<u>7</u>

##### Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension and national insurance contributions) received by key management personnel for their services to the academy trust was £971,998 (2022: £860,448).



# LORD LAWSON OF BEAMISH ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 10 Trustees' remuneration and expenses

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

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

Mr A Fowler (Principal)

Remuneration £115,001 - £120,000 (2022 : £105,001 - £110,000 )

Employer's pension contributions £25,001 - £30,000 (2022: £25,001 - £30,000)

Miss K Barron (Staff trustee)

Remuneration £35,001 - £40,000 (2022: £30,001 - £35,000)

Employer's pension contributions £5,001 - £10,000 (2022: £5,001 - £10,000)

Mrs D Bell (Staff trustee) (Appointed 28/03/2022)

Remuneration £40,001 - £45,000 (2022: £10,001 - £15,000)

Employer's pension contributions £5,001 - £10,000 (2022: £1 - £5000)

During the year expenses amounting to £Nil (2022: £214) were paid to trustees.

Other related party transactions involving the trustees are set out within the related parties note.

#### 11 Trustees' and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £5,000,000 (2022: £5,000,000) on any one claim and the cost for the year ended 31 August 2023 was £358 (2022: £359).

#### 12 Intangible fixed assets

	Computer software £
<b>Cost</b>	
At 1 September 2022	6,375
Disposals	(6,375)
	<hr/>
At 31 August 2023	-
	<hr/>
<b>Amortisation</b>	
At 1 September 2022	4,781
On disposals	(6,375)
Charge for year	1,594
	<hr/>
At 31 August 2023	-
	<hr/>
<b>Carrying amount</b>	
At 31 August 2023	-
	<hr/>
At 31 August 2022	1,594
	<hr/>

# LORD LAWSON OF BEAMISH ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 13 Tangible fixed assets

	Building improvements	Computer equipment	Fixtures, fittings and equipment	Total
	£	£	£	£
<b>Cost</b>				
At 1 September 2022	1,043,984	979,394	984,968	3,008,346
Additions	-	32,700	-	32,700
Disposals	-	(276,312)	(880,643)	(1,156,955)
At 31 August 2023	1,043,984	735,782	104,325	1,884,091
<b>Depreciation</b>				
At 1 September 2022	157,343	727,393	964,017	1,848,753
On disposals	-	(276,312)	(880,643)	(1,156,955)
Charge for the year	19,566	137,725	9,719	167,010
At 31 August 2023	176,909	588,806	93,093	858,808
<b>Net book value</b>				
At 31 August 2023	867,075	146,976	11,232	1,025,283
At 31 August 2022	886,641	252,001	20,951	1,159,593

### 14 Debtors

	2023 £	2022 £
Trade debtors	1,525	1,274
VAT recoverable	156,057	207,476
Prepayments and accrued income	268,983	228,841
	426,565	437,591

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

	2023 £	2022 £
Trade creditors	894,867	17,689
Other taxation and social security	138,850	141,864
Other creditors	260,985	224,109
Accruals and deferred income	377,893	831,120
	1,672,595	1,214,782

# LORD LAWSON OF BEAMISH ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 16 Deferred income

	2023 £	2022 £
Deferred income is included within:		
Creditors due within one year	38,633	32,440
	<u>          </u>	<u>          </u>
Deferred income at 1 September 2022	32,440	33,866
Released from previous years	(32,440)	(33,866)
Resources deferred in the year	38,633	32,440
	<u>          </u>	<u>          </u>
Deferred income at 31 August 2023	38,633	32,440
	<u>          </u>	<u>          </u>

Deferred income relates to trips due to take place in the next academic year.

# LORD LAWSON OF BEAMISH ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 17 Funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2023 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	1,793,043	8,976,428	(8,973,019)	(2,700)	1,793,752
Pupil premium	-	351,844	(351,844)	-	-
Other DfE/ESFA COVID-19 funding	47,970	96,945	(122,584)	-	22,331
Other Coronavirus funding	-	4,692	(4,692)	-	-
Other DfE/ESFA grants	-	8,185	(8,185)	-	-
Other government grants	-	127,543	(127,543)	-	-
Teachers pension grants	-	33,450	(33,450)	-	-
Rates	-	53,589	(53,589)	-	-
Mainstream school additional grant	-	109,577	(109,577)	-	-
Supplementary grant	-	224,227	(224,227)	-	-
Other restricted funds	-	10,413	(10,413)	-	-
Pension reserve	-	-	(63,000)	63,000	-
	<u>1,841,013</u>	<u>9,996,893</u>	<u>(10,082,123)</u>	<u>60,300</u>	<u>1,816,083</u>
<b>Restricted fixed asset funds</b>					
DfE group capital grants	684,032	82,723	(32,264)	-	734,491
Capital expenditure from GAG	487,384	-	(136,340)	2,700	353,744
	<u>1,171,416</u>	<u>82,723</u>	<u>(168,604)</u>	<u>2,700</u>	<u>1,088,235</u>
<b>Total restricted funds</b>	<u>3,012,429</u>	<u>10,079,616</u>	<u>(10,250,727)</u>	<u>63,000</u>	<u>2,904,318</u>
<b>Unrestricted funds</b>					
General funds	473,853	150,606	(47,422)	-	577,037
<b>Total funds</b>	<u>3,486,282</u>	<u>10,230,222</u>	<u>(10,298,149)</u>	<u>63,000</u>	<u>3,481,355</u>

# LORD LAWSON OF BEAMISH ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### 17 Funds

(Continued)

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

General Annual Grant must be used for the normal running costs of the academy. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2023.

The academy has received funding for catch-up premium, with unspent funds of £22,331 allocated to be spent in 2023/24.

Other DfE grants include apprenticeship incentives, mentor backfill and time off timetable.

Other government grants includes funding for pupils with special educational needs and pupil premium funding.

Other restricted grants include student managed moves.

Capital grants include devolved formula capital of £27,608 of which £19,770 has been spent on capital expenditure and £7,797 along with £55,155 relating to an energy efficiency grant has been carried forward to spend next year.

Capital expenditure in the year has also been funded by GAG. Transfers between these funds are reflected in the gains, losses and transfers column.

Unrestricted funds can be used for any purpose at the discretion of the academy.

The academy's restricted general and unrestricted funds were £2,393,120 at 31 August 2023.

# LORD LAWSON OF BEAMISH ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 17 Funds

(Continued)

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	1,704,264	9,042,719	(8,741,102)	(212,838)	1,793,043
Pupil premium	-	359,924	(359,924)	-	-
Catch-up premium	85,000	-	(37,030)	-	47,970
Other DfE/ESFA COVID-19 funding	-	88,769	(47,067)	(41,702)	-
Other DfE/ESFA grants	-	180,050	(180,050)	-	-
Other government grants	-	87,415	(87,415)	-	-
Teachers pension grants	-	36,505	(36,505)	-	-
Teachers pay grants	-	12,918	(12,918)	-	-
Other restricted funds	8,592	49,577	(58,169)	-	-
Pension reserve	(3,285,000)	-	(410,000)	3,695,000	-
	<u>(1,487,144)</u>	<u>9,857,877</u>	<u>(9,970,180)</u>	<u>3,440,460</u>	<u>1,841,013</u>
<b>Restricted fixed asset funds</b>					
DfE group capital grants	683,232	29,301	(28,501)	-	684,032
Capital expenditure from GAG	385,520	-	(152,676)	254,540	487,384
	<u>1,068,752</u>	<u>29,301</u>	<u>(181,177)</u>	<u>254,540</u>	<u>1,171,416</u>
<b>Total restricted funds</b>	<u>(418,392)</u>	<u>9,887,178</u>	<u>(10,151,357)</u>	<u>3,695,000</u>	<u>3,012,429</u>
<b>Unrestricted funds</b>					
General funds	<u>422,760</u>	<u>101,942</u>	<u>(50,849)</u>	<u>-</u>	<u>473,853</u>
<b>Total funds</b>	<u>4,368</u>	<u>9,989,120</u>	<u>(10,202,206)</u>	<u>3,695,000</u>	<u>3,486,282</u>

#### 18 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
<b>Fund balances at 31 August 2023 are represented by:</b>				
Tangible fixed assets	-	-	1,025,283	1,025,283
Current assets	577,037	3,488,678	62,952	4,128,667
Current liabilities	-	(1,672,595)	-	(1,672,595)
<b>Total net assets</b>	<u>577,037</u>	<u>1,816,083</u>	<u>1,088,235</u>	<u>3,481,355</u>

# LORD LAWSON OF BEAMISH ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 18 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
<b>Fund balances at 31 August 2022 are represented by:</b>				
Intangible fixed assets	-	-	1,594	1,594
Tangible fixed assets	-	-	1,159,593	1,159,593
Current assets	473,853	3,055,795	10,229	3,539,877
Current liabilities	-	(1,214,782)	-	(1,214,782)
<b>Total net assets</b>	<b>473,853</b>	<b>1,841,013</b>	<b>1,171,416</b>	<b>3,486,282</b>

#### 19 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 South Tyneside 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 £129,531 (2022: £126,325) were payable to the schemes at 31 August 2023 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 academy trusts. All teachers have the option to opt out of the TPS following enrolment.

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

###### Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury 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 31 March 2016 TPS actuarial valuation results were implemented from 1 September 2019.

# LORD LAWSON OF BEAMISH ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 19 Pension and similar obligations

(Continued)

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 latest actuarial TPS valuation results, as at 31 March 2020, were released in October 2023. The revised employer contribution rate, arising from this valuation, is due to be implemented from 1 April 2024.

The employer's pension costs paid to the TPS in the period amounted to £936,752 (2022: £888,861).

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 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 19.9% for employers and 5.5 - 12.5% for employees. The estimated value of employer contributions for the forthcoming year is £283,000 (2022: £233,000).

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

Total contributions made	2023 £	2022 £
Employer's contributions	225,000	204,000
Employees' contributions	76,000	64,000
	<hr/>	<hr/>
Total contributions	301,000	268,000
	<hr/>	<hr/>
Principal actuarial assumptions	2023 %	2022 %
Rate of increase in salaries	4.1	4.2
Rate of increase for pensions in payment/inflation	2.6	2.7
Discount rate for scheme liabilities	5.0	4.1
Inflation assumption (CPI)	2.6	2.7
	<hr/>	<hr/>



# LORD LAWSON OF BEAMISH ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 19 Pension and similar obligations

(Continued)

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

	2023 Years	2022 Years
Retiring today		
- Males	21.0	21.8
- Females	24.1	25.0
Retiring in 20 years		
- Males	22.2	23.5
- Females	25.5	26.7

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

	2023 £	2022 £
Discount rate + 0.1%	4,919,000	5,090,000
Discount rate - 0.1%	5,124,000	5,356,000
Mortality assumption + 1 year	4,894,000	5,074,000
Mortality assumption - 1 year	5,144,000	5,366,000
CPI rate + 0.1%	5,114,000	5,330,000
CPI rate - 0.1%	4,929,000	5,110,000

#### The academy trust's share of the assets in the scheme

	2023 Fair value £	2022 Fair value £
Equities	2,912,000	2,858,000
Government bonds	73,000	85,000
Corporate bonds	1,069,000	988,000
Cash	96,000	96,000
Property	582,000	590,000
Other assets	921,000	696,000
Asset not recognised	(634,000)	(93,000)
Total market value of assets	5,019,000	5,220,000

The actual return on scheme assets was £153,000 (2022: £(86,000)).

# LORD LAWSON OF BEAMISH ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 19 Pension and similar obligations

(Continued)

Amount recognised in the statement of financial activities	2023 £	2022 £
Current service cost	297,000	560,000
Interest income	(222,000)	(90,000)
Interest cost	213,000	144,000
Total operating charge	288,000	614,000
Changes in the present value of defined benefit obligations	2023 £	2022 £
At 1 September 2022	5,220,000	8,480,000
Current service cost	297,000	560,000
Interest cost	213,000	144,000
Employee contributions	76,000	64,000
Actuarial gain	(673,000)	(3,964,000)
Benefits paid	(114,000)	(64,000)
At 31 August 2023	5,019,000	5,220,000
Changes in the fair value of the academy trust's share of scheme assets	2023 £	2022 £
At 1 September 2022	5,220,000	5,195,000
Interest income	222,000	90,000
Actuarial loss	(69,000)	(176,000)
Employer contributions	225,000	204,000
Employee contributions	76,000	64,000
Benefits paid	(114,000)	(64,000)
Asset not recognised	(541,000)	(93,000)
At 31 August 2023	5,019,000	5,220,000

# LORD LAWSON OF BEAMISH ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 20 Reconciliation of net expenditure to net cash flow from operating activities

	Notes	2023 £	2022 £
Net expenditure for the reporting period (as per the statement of financial activities)		(67,927)	(213,086)
Adjusted for:			
Capital grants from DfE and other capital income		(82,723)	(29,301)
Investment income receivable	6	(16,931)	(390)
Defined benefit pension costs less contributions payable	19	72,000	356,000
Defined benefit pension scheme finance (income)/cost	19	(9,000)	54,000
Depreciation of tangible fixed assets		167,010	179,052
Amortisation of intangible fixed assets	12	1,594	2,125
Decrease/(increase) in debtors		11,026	(93,605)
Increase in creditors		457,813	233,612
<b>Net cash provided by operating activities</b>		<b>532,862</b>	<b>488,407</b>

#### 21 Analysis of changes in net funds

	1 September 2022 £	Cash flows £	31 August 2023 £
Cash	3,102,286	599,816	3,702,102

#### 22 Related party transactions

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. The following related party transactions took place in the financial period.

In the previous year, Miss A Pedlingham, daughter of Mr J Pedlingham, a member of the senior management team, was employed by the academy trust to help with the COVID mass testing project. Miss A Pedlingham was paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a member of the senior management team.

# LORD LAWSON OF BEAMISH ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 23 Commitments under operating leases

At 31 August 2023 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2023 £	2022 £
Amounts due within one year	22,218	21,115
Amounts due in two and five years	16,855	37,141
	<u>39,073</u>	<u>58,256</u>

At 31 August 2023 the total future minimum payments under non-cancellable PFI contracts were as follows:

	2023 £	2022 £
Amounts due within one year	1,636,365	1,504,033
Amounts due in two and five years	6,545,462	6,016,133
Amounts due after five years	4,909,096	6,016,133
	<u>13,090,923</u>	<u>13,536,299</u>

#### 24 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 for the debts and liabilities contracted before he or she ceases to be a member.

#### 25 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2023 the trust brought forward £61,890 (2022: £57,993) from previous years, plus £7,763 which was also deferred, received £12,416 (2022: £11,794) and disbursed £8,274 (2022: £7,897) from the fund. An amount of £73,795 (2022: £61,890) is included in other creditors relating to undistributed funds that are possibly repayable to ESFA if not spent before 31 March 2024.