

VANDYKE UPPER SCHOOL
(A Company Limited by Guarantee)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020



VANDYKE UPPER SCHOOL
(A Company Limited by Guarantee)

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VANDYKE UPPER SCHOOL
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Mr T Carroll, Headteacher Mr D Packer, Chair of Governors and Co-Opted Governor Mrs A Gomersall MBE, Co-Opted Governor
Trustees	Mr T Carroll, Headteacher Mr D Packer, Chair of Governors and Co-Opted Governor Mrs A Ashwell, Parent Governor Mrs A Gomersall MBE, Co-Opted Governor Mr I Holloway-McLean, Parent Governor Mr M Feinhols, Co-Opted Governor Mrs N Tooman, Parent Governor Ms G A Baker, Co-Opted Governor (resigned 14 October 2019) Miss C O'Callaghan, Staff Governor Mr D R Whitaker, Co-Opted Governor (appointed 16 December 2019) Mrs A Morris, Parent Governor (resigned 14 October 2019) Mr I King-Mand, Co-Opted Governor (resigned 18 May 2020) Mr J Hassall, Co-Opted Governor Mrs M Ward, Co-Opted Governor Mrs A Packer, Co-Opted Governor Ms P Bazalgette, Parent Governor (appointed 14 October 2019) Mrs S Peplow, Staff Governor Mr D C Groves, Parent Governor (appointed 19 November 2019) Ms M D Johnson, Parent Governor (appointed 16 December 2019) Mrs S Howley MBE, Co-Opted Governor Ms N Tooman, Parent Governor Ms S Nunn, Parent Governor (appointed 16 December 2019) Mrs R Samet, Staff Governor
Company registered number	07700206
Company name	Vandyke Upper School
Registered and principal office	Vandyke Road Leighton Buzzard Bedfordshire LU7 3DY
Chief Executive Officer (Headteacher and Principal)	Mr Tim Carroll

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Leadership Group

Mr T Carroll, Headteacher
Mr P Phillips, Deputy Headteacher
Mrs T Beckwith, Assistant Headteacher
Mr D Cooksey, Assistant Headteacher
Mr S Downey, Assistant Headteacher
Mr B Chantrell, Assistant Headteacher
Mr G Skelton, Assistant Headteacher
Miss C O'Callaghan, Assistant Headteacher

Independent Auditors

Price Bailey LLP
Chartered Accountants
Causeway House
1 Dane Street
Bishop's Stortford
Hertfordshire
CM23 3BT

Bankers

Lloyds Bank PLC
28 Secklow Gate West
Lloyds Court
Milton Keynes
Buckinghamshire
MK9 3EH

VANDYKE UPPER SCHOOL
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees present their Annual Report together with the financial statements and Auditor's Report of Vandyke Upper School (the Academy, The Trust or the Charitable Company) for the year ended 31 August 2020. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' Report under company law.

The Trust operates an Academy School for students aged 13 – 18 serving a catchment area in Leighton Buzzard and surrounding communities. It has a student capacity of 1440 (following a school expansion project funded by the local authority and completed in August 2020) and had a roll of 1102 in the Autumn 2019 school census.

Structure, Governance and Management

The Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are its primary governing documents. The Trustees of The Charitable Company are also the Directors for the purposes of company law. The terms Trustee, Director and Governor are interchangeable. The Charitable Company is known as Vandyke Upper School (the School).

Details of the Trustees who served during the year are included in the Reference and Administrative Details section.

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 and Officers' Indemnities

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £10,000,000 in any one year and details of the costs are disclosed in Note 11 to the accounts.

Method of Recruitment and Appointment or Election of Trustees

The arrangements are as set out in the Articles and Funding Agreement.

Trustees are appointed for a fixed term. The Headteacher is an ex officio member of the Board of Trustees. Parent Trustees and the staff Trustees are elected to office or appointed if there are insufficient candidates offering themselves for election. The Articles of Association make provision for 20 Trustees (7 Parents, 2 Staff – Teaching, 1 Staff non-teaching, 9 others, plus the Headteacher).

Policies and Procedures Adopted for the Induction and Training of Trustees

The Charitable Company is committed to providing adequate opportunities for Trustees to undertake and receive suitable training so as to enable them to perform their role effectively. To this end, the Trust provides an internal programme of continued professional development led by School staff and links with a number of local training providers.

All new Trustees are entitled to an induction to the role, according to their need, which may include, introductory sessions, mentoring and formal courses. This process will involve a meeting with the Chairman of Trustees and Headteacher or Deputy Headteacher. All Trustees are provided with a handbook plus copies of policies and procedures documents that are appropriate to the role they undertake as Trustees with particular emphasis on the committee work that they will undertake.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Organisational Structure

The governance of the Trust is defined in the Memorandum and Articles of Association together with the Funding Agreement with the Department of Education.

The Board of Trustees, which meets on 6 occasions per year and each individual committee 6 times per year (except for the Admissions Committee which meets at least annually), is responsible for the strategic direction of the Trust. The Board reviews progress towards educational objectives and results; approves major expenditure requests; sets the budget for the following year; sets the organisational staffing structure; agrees the performance objectives of the Headteacher with the School Improvement Partner, and reviews them.

The Headteacher is the designated Accounting Officer and has overall responsibility for the day-to-day financial management of the Charitable Company. The Headteacher has delegated responsibility for low values of expenditure to specific budget holders who are responsible for managing their own departments within their allocated budgets. A system of financial controls is in place to manage this process.

The Headteacher manages the Trust on a daily basis supported by a Leadership Group (LG). The LG meets frequently to discuss emerging matters and to help to develop strategies for future development to be put to the Headteacher and the Board of Trustees as required for approval. Each member of the LG has specific responsibilities to assist the Headteacher to lead and manage certain aspects of the Trust.

Arrangements for setting pay and remuneration of key management personnel

Key management personnel include Trustees and those staff to whom the Trustees have delegated significant authority and responsibility in the day-to-day running of the Trust.

Pay and remuneration of key management personnel is decided by a variety of contributory factors, such as the school group size, ISR, the pay scales for each role and the level of experience of each staff member. In addition, pay levels may be affected by nationally agreed pay awards, the ability to recruit and retain in post, all of which are in accordance with the Trust's appointment and pay policies.

All amendments to key management's pay and remuneration is approved by the appropriate sub-committee and ratified by the Board of Trustees.

Related Parties and other Connected Charities and Organisations

Owing to the nature of the Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, it is inevitable that from time to time transactions will take place with organisations in which a Trustee may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procedures. Any transaction where the Trustee may have a pecuniary interest is only undertaken in accordance with the 'at cost' principle described in the Academies Financial Handbook.

In addition, the Trust currently sponsors two arrangements with the middle and lower schools in Central Bedfordshire encompassing some 28 schools. The aim is to maximise resources within the schools by the sharing of best practice and procuring services in a more efficient manner. These services are accounted for through separate funds administered by the Trust (Learning Community 2 and Schools Sports Partnership).

The Trust does not have a formal sponsor.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and Activities

Objectives and Aims

The principal objective and aim of the Charitable Company is the operation of the School to provide free education and care for students of different abilities between the ages of 13 and 18.

Objectives, Strategies and Activities

During the year the School continues to work towards achieving these aims by:

- ensuring that every student enjoys the same high quality education in terms of resourcing, tuition and care;
- raising the standard of educational achievement of all students;
- improving the effectiveness of the School by keeping the curriculum and organisational structure under continual review;
- providing value for money for the funds expended;
- complying with all appropriate statutory and curriculum requirements;
- conducting the Trust's business in accordance with the highest standards of integrity; and
- targeting those students eligible for Pupil Premium Funding to ensure they achieve their full potential.

At Vandyke Upper School we aim to get the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values.

Our success in fulfilling our aims can be measured by:

- very strong exam outcomes again in 2019 at GCSE with attainment above national average and value-added in the top 10% nationally and again in 2020 through the DfE's centre-assessed grades model;
- very strong exam outcomes again in 2019 at A Level and Applied General course with top 15% value-added nationally and again in 2020 through the DfE's centre-assessed grades model;; and
- outstanding behaviour around the School and an ethos of collaborative learning as commented upon widely by visitors and in the OFSTED inspection of May 2018.

Public Benefit

The Trustees believe that by working towards the objects and aims of the School as detailed above, they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

Strategic Report

Achievements and Performance

The Trust continued its mission to ensure that students achieved their potential in public examinations; encouraged a wide range of extra-curricular activities; developed and retained suitable staff and guided students in suitable progression when they left the School.

Our students achieve very well, making very strong progress in all year groups and achieving excellent outcomes at GCSE and A Level. In 2019, Progress 8 was +0.50 (sig+), 9-5 Eng/maths 52% and 9-4 eng/maths 72%. 31% with standard EBacc outcomes again well above national average. A Level outcomes were impressive with a 99.5% pass-rate and increased average points per entry again. ALPs score for A2 was '3' i.e. sixth form students make excellent progress; DfE value-added measure +0.20 (sig+).

In 2020 public examinations were cancelled and replaced by the DfE's centre-assessed grades model which again produced strong results at GCSE and A Level allowing students to progress to their next step.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

On 3 May 2018, we had an Ofsted inspection that judged Vandyke overall to be a "good" school. The report states that "pupils are pushed and challenged to make the best possible progress" and "pupils respond well to the high expectations of staff and this is reflected in the achievements of many pupils across the year groups in a wide range of subjects."

Our commitment to high standards and to regularly reviewing, evaluating and improving our practices is recognised in the many awards we hold. We are proud to hold Sportsmark and Artsmark Platinum awards, in recognition of our commitment to Sport/PE and our outstanding programme of extra-curricular sport and performing arts activities.

Key Performance Indicators

The Trustees receive regular information at each committee meeting to enable them to monitor the performance of the School compared to aims, strategies and financial budgets.

As funding is based on student numbers this is a key performance indicator. Student numbers for September 2020 were 1,301 with Years 9, 10 and 12 over-subscribed.

Another key financial performance indicator is staffing costs as a percentage of total income. For 2019/2020 this was 84.31% against set parameters of 80-85%. The Board of Trustees is confident that staffing levels are closely monitored to agreed Full Time Equivalent and staffing structures all approved by the Board.

The Resources Committee also monitor premises costs to General Annual Grant (GAG) income, capitation spend for curriculum departments to GAG income, total income less grants and cash flow on a regular basis to ensure that the budget is set and managed appropriately. All of the above KPI's were within the parameters set by the Board.

Going Concern

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

In making this statement the Board of Trustees have taken into due consideration the effects upon the Trust of the COVID-19 pandemic, the partial closure of the School during the period and the changes in practices introduced from the 2020 Autumn term. Further consideration on the Trust's ability to continue as a going concern as a result of the COVID-19 pandemic can be found in Note 1.3.

Financial Review

The principal source of funding for the Trust is the GAG and other grants that it receives from the Education Skills and Funding agency (ESFA). For the year ended 31 August 2020 the Trust received £5,903,206 of GAG and other funding, plus £10,983,935 from Central Bedfordshire Council towards the school expansion. A high percentage of this income is spent on wages and salaries and support costs to deliver the Trust's primary objective of the provision of education. During the year the Trust spent £6,341,367 (excluding depreciation and capital expenditure). The Trust brought forward from 2018/2019, £136,895 restricted funding (excluding pension deficit) and £1,669,790 unrestricted funding. The carry forward for 2019/20 is £Nil restricted funding (excluding pension deficit) and £1,594,524 unrestricted funding.

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Trust is recognising a significant pension fund deficit of £3,404,000. This does not mean that an immediate liability for this amount crystallises and such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Reserves Policy

The Trustees are aware of the requirement to balance current and future needs and always aim to set a balanced budget with annual income balancing annual expenditure. The Trustees monitor estimated year-end carry forward figures via the monthly reports from the Finance and Personnel Manager. The budget plan identifies how any carry forward will be allocated in the plan for the following academic year, including the identification of any funds earmarked for a specific project or purpose.

The Trust's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £1,594,524. This has been built up from a mixture of locally raised income and balances transferred from the predecessor School.

The Trust's balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds at 31 August 2020 was £1,594,524.

The cash balance of the Trust has been very healthy all year, ending the year with a balance of £1,528,425. A significant proportion of this cash is held against specific projects and is not available to meet normal recurring expenditure. The Trustees monitor cash flow as part of the Resources Committee and aim to hold a minimum of £400,000 to cover short term cash flow variances.

Investment Policy

The aim of the policy is to ensure funds that the Trust does not immediately need to cover anticipated expenditure are invested to maximise the Trust's income but with minimal risk. The aim is to research where funds may be deposited applying prudence in ensuring there is minimum risk. The Trustees do not consider the investment of surplus funds as a primary activity, rather as good stewardship and as and when circumstances allow.

Principal Risks and Uncertainties

The Trustees maintain a risk register identifying the major risks to which the Trust is exposed, and identifying actions and procedures to mitigate those risks. A formal review of the risk register process is undertaken on an annual basis and the internal control systems and the exposure to said risks are monitored on behalf of the Trustees at each Resources Committee meeting. The principal risks facing the Trust are outlined below; those facing the Trust at an operational level are addressed by its systems and by internal financial and other controls.

The Trustees report that the Trust's financial and internal controls conform to guidelines issued by the ESFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

As an academy school, the level of financial risk is low. Cash flows can be reliably forecast, monitored and reported. Staff costs make up the majority of expenditure and are relatively stable with contingencies in place to cover such items as sickness and maternity.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees assess the other principal risks and uncertainties facing the Trust as follows:

- The Trust has considerable reliance on continued Government funding through the ESFA and there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms;
- failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks;
- reputational - the continuing success of the Trust is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student progress and outcomes are closely monitored and reviewed;
- safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline;
- staffing - the success of the Trust is reliant on the quality of its staff and the Trustees monitor and review policies and procedures and recruitment to ensure continued development and training of staff as well as ensuring there is clear succession planning;
- fraud and mismanagement of funds - All finance staff receive training to keep up to date with financial practice requirements and develop their skills in this area;
- financial instruments – the Trust only deals with bank balances, cash and trade creditors, with limited trade (and other) debtors. The risk in this area is considered to be low; and
- defined benefit pension liability – as the Government has agreed to meet the defined benefit pension liability of any school ceasing to exist the main risk to the Trust is an annual cash flow funding of part of the deficit. Trustees take these payments into account when setting the annual budget plan.

The Trust has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness.

Plans for Future Periods

The Trust continues to strive to improve teaching and learning alongside excellent care, guidance and support, to provide an appropriate and differentiated curriculum to meet the needs of its comprehensive intake of students, and to develop the School's ethos and culture so that all students feel valued and known as individuals, are motivated to aim high and to fulfil their potential in all areas of learning.

As rolls fell in line with the demographic profile measures were taken to ensure a balanced budget again and in future years. Student numbers on roll are now increasing with an increased PAN of 360 (was 300) and the forecast for Sept 2021 of an intake again into Y9 of at least 360, the third successive time in the School's history it will be over-subscribed.

Funds Held as Custodian Trustee on Behalf of Others

Vandyke Upper School holds and administers funds on behalf of the Leighton/Linslade Schools Sports Partnership and Learning Community 2. Both organisations comprise local schools collaborating for mutual benefit.

The 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 Incorporating Income and Expenditure Accounts as the Trust does not have control over the charitable application of the funds. The Trust has not been allocated a % towards its own administration costs. The funds received and paid and any balances held are disclosed in note 22.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Fundraising

The Trust only held small fundraising events during the year including non-uniform days and a sixth form fundraising week. The Trust does not work with professional fundraisers or companies who carry out fundraising on its behalf. During the year no complaints or issues have arisen as a result of the fundraising events.

Trade Union Facility Time

The Trust had no employees who acted as Trade Union officials during the year.

Auditor

Insofar as the Trustees are aware:

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

The Trustees' Report, incorporating a Strategic Report, was approved by the Board of Trustees on
14 Dec 2020 and signed on its behalf by:



D Packer (Dec 16, 2020, 1:55pm)

Mr D Packer

Chair of Governors

VANDYKE UPPER SCHOOL
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GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Vandyke Upper School has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material mis-statement 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 Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Vandyke Upper School and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 7 times during the year.

Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr T Carroll	7	7
Mr D Packer	6	7
Mrs A Ashwell	6	7
Mrs A Gomersall MBE	7	7
Mr I Holloway-McLean	7	7
Mr M Feinhols	7	7
Mrs N Tooman	7	7
Miss C O'Callaghan	6	7
Mr D R Whitaker	5	6
Mr I King-Mand	0	6
Mr J Hassall	3	7
Mrs M Ward	6	7
Mrs A Packer	6	7
Ms P Bazalgette	7	7
Mrs S Peplow	7	7
Mr D C Groves	6	6
Ms M D Johnson	6	6
Mrs S Howley MBE	6	7
Ms S Nunn	6	6
Mrs R Samet	5	7

A key focus of Trustee work was negotiation with the Local Authority of School expansion plans resulting in the award of £11.2m for School expansion. Consultants were appointed to act for the School and contractors appointed and the work completed on time and to schedule despite the extraordinary circumstances created by the global health pandemic.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

A further significant focus for Trustees was engagement in C Beds Council's school structure review, Schools for the Future (SFF), and this continues.

The Trust did not carry out a self-evaluation or external review of governance during the year.

The Resources Committee is a sub-committee of the Board of Trustees. Its purpose is to provide guidance to the Accounting Officer and to the Board of Trustees in all matters relating to budgeting and finance. It has delegated authority to make some decisions on behalf of the Board of Trustees and this is set out in its Terms of Reference and in the Trust's Financial Procedures Manual.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr D Packer	5	5
Mr T Carroll	5	5
Miss C O'Callaghan	1	5
Ms P Bazalgette	4	5
Mr I Holloway-McLean	1	5
Mrs A Gomersall MBE	1	2
Mrs S Howley MBE	4	5
Mr M Feinhols	4	5

Review of value for money

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

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

- The School maintains a list of approved major and regular suppliers for items such as stationery, materials, text books, and services such as small repairs. This is periodically reviewed. This helps to ensure that orders are placed with suppliers who have a proven capacity to provide quality, quantity and timely delivery at a competitive price.
- Staff are required to source costs and/or compare catalogue price lists and to document quotes and/or attach quotes to the completed order requisition form in accordance with the levels specified in the Schedule of Authorised Signatories within the School's Financial Regulation Procedures. If the lowest quotation is not acceptable, a written statement is attached to the order stating why the lower quotation is not accepted.
- Some single item goods or contracts must be advertised in Official Journal of the European Union (OJEU) and are subject to specific regulations. These regulations only relate to high value contracts or purchases.
- Purchase Order Requisitions are raised, approved by the budget holder and forwarded to the Finance Office for processing.

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GOVERNANCE STATEMENT (CONTINUED)

The purpose of the system of internal control

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

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the Annual Report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

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

The Board of Trustees has decided to employ Mrs S McMenemey as Internal Auditor.

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

- Payroll
- Purchases
- Income
- Accounting system
- Expenses
- Charge Card

On an annual basis, the Internal Auditor reports to the Board of Trustees through the Resources committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

The Internal Auditor has delivered their schedule of work as planned and there were no material control issues arising as a result of their work.

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GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

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

- on discharge of the Board of Trustees financial decisions to help the committee consider actions and assess year on year progress
- the work of the Internal Auditors;
- the work of the external Auditors; and
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Resources committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by the Board of Trustees on 14 Dec 2020

and signed on their behalf by:



D Packer (Dec 16, 2020, 1:55pm)

Mr D Packer
Chair of Governors



Mr T Carroll (Dec 16, 2020, 2:51pm)

Mr T Carroll
Accounting Officer

VANDYKE UPPER SCHOOL
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Vandyke Upper School I have considered my responsibility to notify the Academy Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

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

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

Tim Carroll

Mr T Carroll
(Signed Tim Carroll, 16 Dec 2020, 2:51pm)
Accounting Officer

Date: 16 Dec 2020

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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2020

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

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

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

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

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

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

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



D Packer (Dec 16, 2020, 1:55pm)

Mr D Packer
Chair of Governors

Date: 14 Dec 2020

VANDYKE UPPER SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
VANDYKE UPPER SCHOOL**

Opinion

We have audited the financial statements of Vandyke Upper School (the 'Academy') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

VANDYKE UPPER SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
VANDYKE UPPER SCHOOL (CONTINUED)**

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Other information includes the Trustees' Report including the Strategic Report, the Governance Statement and the Accounting Officer's Statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our Report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

VANDYKE UPPER SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
VANDYKE UPPER SCHOOL (CONTINUED)**

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the Directors of the Charitable Company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

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

Gary Miller FCA (Senior Statutory Auditor)

for and on behalf of
Price Bailey LLP
Chartered Accountants
Statutory Auditors
Causeway House
1 Dane Street
Bishop's Stortford
Hertfordshire
CM23 3BT

Date: 16 December 2020

VANDYKE UPPER SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO VANDYKE
UPPER SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 28 August 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Vandyke Upper School during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This Report is made solely to Vandyke Upper School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Vandyke Upper School 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 Vandyke Upper School and ESFA, for our work, for this Report, or for the conclusion we have formed.

Respective responsibilities of Vandyke Upper School's Accounting Officer and the Reporting Accountant

The Accounting Officer is responsible, under the requirements of Vandyke Upper School's funding agreement with the Secretary of State for Education dated 1 August 2011 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

VANDYKE UPPER SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO VANDYKE
UPPER SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

The work undertaken to draw our conclusion includes:

- An assessment of the risk of material irregularity, impropriety and non-compliance
- Consideration and corroboration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance and how the Academy complies with the framework of authorities.
- Evaluation of the general control environment of the Academy, extending the procedures required for financial statements to include regularity, propriety and compliance
- Discussions with and representations from the Accounting Officer and other key management personnel.
- An extension of substantive testing from our audit of the financial statements to cover matters pertaining to regularity, in order to support the regularity conclusion, including governance, internal controls, procurement and the application of income.

Conclusion

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

Reporting Accountant
Price Bailey LLP

Date: 16 December 2020

VANDYKE UPPER SCHOOL
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:						
Donations and capital grants	3	188,412	298,658	283,435	770,505	551,724
Charitable activities	4	21,873	5,227,541	10,983,935	16,233,349	5,099,905
Other trading activities	5	145,225	13,360	-	158,585	187,872
Investments	6	8,137	-	-	8,137	9,104
Total income		363,647	5,539,559	11,267,370	17,170,576	5,848,605
Expenditure on:						
Charitable activities		438,913	5,902,454	522,553	6,863,920	6,452,452
Total expenditure	7	438,913	5,902,454	522,553	6,863,920	6,452,452
Net movement in funds before other recognised gains/(losses)		(75,266)	(362,895)	10,744,817	10,306,656	(603,847)
Other recognised gains/(losses):						
Actuarial (losses)/gains on LGPS	23	-	(1,434,000)	-	(1,434,000)	(517,000)
Net movement in funds		(75,266)	(1,796,895)	10,744,817	8,872,656	(1,120,847)
Reconciliation of funds:						
Total funds brought forward		1,669,790	(1,607,105)	13,674,189	13,736,874	14,857,721
Net movement in funds		(75,266)	(1,796,895)	10,744,817	8,872,656	(1,120,847)
Total funds carried forward		1,594,524	(3,404,000)	24,419,006	22,609,530	13,736,874

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 24 to 49 form part of these financial statements.

VANDYKE UPPER SCHOOL
(A Company Limited by Guarantee)

BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	13	23,987,276	13,472,708
		<u>23,987,276</u>	<u>13,472,708</u>
Current assets			
Debtors	14	1,095,682	297,474
Investments	15	500,000	500,000
Cash at bank and in hand		1,528,425	1,736,666
		<u>3,124,107</u>	<u>2,534,140</u>
Creditors: amounts falling due within one year	16	(1,097,853)	(525,974)
Net current assets		<u>2,026,254</u>	<u>2,008,166</u>
Total assets less current liabilities		<u>26,013,530</u>	<u>15,480,874</u>
Net assets excluding pension liability		<u>26,013,530</u>	<u>15,480,874</u>
Defined benefit pension scheme liability	23	(3,404,000)	(1,744,000)
Total net assets		<u><u>22,609,530</u></u>	<u><u>13,736,874</u></u>
Funds of the Academy			
Restricted funds:			
Fixed asset funds	17	24,419,006	13,674,189
Restricted income funds	17	-	136,895
		<u>24,419,006</u>	<u>13,811,084</u>
Restricted funds excluding pension liability	17	24,419,006	13,811,084
Pension reserve	17	(3,404,000)	(1,744,000)
Total restricted funds	17	<u>21,015,006</u>	<u>12,067,084</u>
Unrestricted income funds	17	<u>1,594,524</u>	<u>1,669,790</u>
Total funds		<u><u>22,609,530</u></u>	<u><u>13,736,874</u></u>

The financial statements on pages 21 to 49 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



Mr D Packer (Dec 16, 2020, 1:55pm)

Chair of Governors 14 Dec 2020

Date:

The notes on pages 24 to 49 form part of these financial statements.

VANDYKE UPPER SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	19	10,747,980	(22,947)
Cash flows from investing activities	20	(10,956,221)	(24,950)
Change in cash and cash equivalents in the year		(208,241)	(47,897)
Cash and cash equivalents at the beginning of the year		1,736,666	1,784,563
Cash and cash equivalents at the end of the year	21, 22	<u>1,528,425</u>	<u>1,736,666</u>

The notes on pages 24 to 49 form part of these financial statements

VANDYKE UPPER SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

1.2 Company status

The Trust is a company limited by guarantee. The Members are noted on page 1. In the event of the Trust being wound up, the liability in respect of the guarantee is limited to £10 per Member. The registered office is Vandyke Road, Leighton Buzzard, Bedfordshire LU7 3DY.

1.3 Going concern

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

The Academy has been affected to a limited extent by restrictions imposed by the UK Government in response to the COVID-19 pandemic. The Academy derives the majority of its income from local and national government grant funding which is secured for a number of years, under the terms of the Academy Funding Agreement with the Secretary of State for Education. This will ensure that the Academy can continue operating for a period of at least 12 months following the date of this report. The financial statements do not contain any adjustments that would be required if the Academy were not able to continue as a going concern.

VANDYKE UPPER SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.4 Income

All incoming resources are recognised when the Academy 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 year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

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

- **Donations**

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

- **Other income**

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

1.5 Expenditure

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

VANDYKE UPPER SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.7 Taxation

The Academy is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

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

1.8 Tangible fixed assets

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

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

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

Depreciation is provided on the following bases:

Freehold Buildings	- 20-50 years straight line
Furniture and fixtures	- 5 years straight line
Computer equipment	- 6 years straight line
Motor vehicles	- 4 years straight line

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.

Freehold land is not depreciated.

1.9 Investments

Current asset investments include balances placed on deposit with maturity of three months or more from the date of acquisition or opening of the deposit or similar account.

1.10 Debtors

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

VANDYKE UPPER SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.11 Cash at bank and in hand

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

1.12 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 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.

1.13 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

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

1.14 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 16. 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.

1.15 Operating leases

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

VANDYKE UPPER SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.16 Pensions

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

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

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

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

1.17 Agency arrangements

The 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 Incorporating Income and Expenditure Accounts as the Trust does not have control over the charitable application of the funds. The Trust has not been allocated a % towards its own administration costs. The funds received and paid and any balances held are disclosed in note 21.

VANDYKE UPPER SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the Actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. Income from donations and capital grants

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations	188,412	-	9,999	198,411	197,490
Grants	-	298,658	-	298,658	283,825
Capital grants	-	-	273,436	273,436	70,409
	<u>188,412</u>	<u>298,658</u>	<u>283,435</u>	<u>770,505</u>	<u>551,724</u>
Total 2019	<u>156,304</u>	<u>283,825</u>	<u>111,595</u>	<u>551,724</u>	

In 2019, income from donations was £197,490, of which £156,304 was unrestricted and £41,186 was restricted.

In 2019, income from grants was £283,825, all of which was restricted.

In 2019, capital grants of £70,409 were in relation to restricted fixed assets.

VANDYKE UPPER SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

4. Funding for the Academy's educational activities

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	4,712,842	4,712,842	4,527,493
Other DfE / ESFA grants	-	411,334	411,334	225,008
	-	5,124,176	5,124,176	4,752,501
Other Government Grants				
Local Authority grants	11,873	11,087,300	11,099,173	337,404
	11,873	11,087,300	11,099,173	337,404
Other funding				
Catering income	10,000	-	10,000	10,000
	21,873	16,211,476	16,233,349	5,099,905
Total 2019	22,812	5,077,093	5,099,905	

In 2019, income from DfE/ESFA grants was £4,752,501, all of which was restricted.

In 2019, income from other Government grants was £337,404, of which £324,592 was restricted and £12,812 was unrestricted.

In 2019, income from catering was £10,000, all of which was unrestricted.

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5. Income from other trading activities

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Facilities and services	56,967	-	56,967	67,971
Tuition	5,047	-	5,047	11,320
Lettings - astro	31,055	-	31,055	34,804
Other activities	23,879	13,360	37,239	33,573
Lettings - indoor	28,277	-	28,277	40,204
	<u>145,225</u>	<u>13,360</u>	<u>158,585</u>	<u>187,872</u>
Total 2019	<u>160,867</u>	<u>27,005</u>	<u>187,872</u>	

In 2019, facilities and services income was £67,971, all of which was unrestricted.

In 2019, tuition income was £11,320, all of which was unrestricted.

In 2019, astro letting income was £34,804, all of which was unrestricted.

In 2019, other activities income was £33,573, of which £27,005 was restricted and £6,568 was unrestricted.

In 2019, indoor lettings income was £40,204, all of which was unrestricted.

6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Bank interest	8,137	8,137	9,104
	<u>9,104</u>	<u>9,104</u>	
Total 2019	<u>9,104</u>	<u>9,104</u>	

In 2019, all investment income was in relation to unrestricted funds.

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7. Expenditure

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £	Total 2019 £
Educational activities:					
Direct costs	4,540,848	-	673,255	5,214,103	4,582,812
Support costs	726,370	694,405	229,042	1,649,817	1,869,640
	<u>5,267,218</u>	<u>694,405</u>	<u>902,297</u>	<u>6,863,920</u>	<u>6,452,452</u>
Total 2019	<u>4,616,178</u>	<u>1,095,361</u>	<u>740,913</u>	<u>6,452,452</u>	

In 2019, of the total expenditure, £262,198 was made from unrestricted funds, £5,496,294 was made from restricted funds, and £694,020 was made from restricted fixed asset funds.

8. Charitable activities

	2020 £	2019 £
Direct costs	5,214,103	4,582,812
Support costs	1,649,817	1,869,640
	<u>6,863,920</u>	<u>6,452,452</u>

Analysis of support costs

	2020 £	2019 £
Support staff costs	726,370	688,050
Depreciation	449,790	448,493
Technology costs	55,009	58,598
Premises costs	244,615	474,833
Legal costs	500	2,560
Other support costs	196,528	187,811
Governance costs	12,610	9,295
	<u>1,685,422</u>	<u>1,869,640</u>

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9. Net (expenditure)/income

Net (expenditure)/income for the year includes:

	2020 £	2019 £
Operating lease rentals	7,409	7,409
Depreciation of tangible fixed assets	449,790	448,493
Fees paid to Auditors for:		
- audit	6,490	6,300
- non-audit	4,650	4,515
	<u>460,849</u>	<u>466,717</u>

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NOTES TO THE FINANCIAL STATEMENTS
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10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2020 £	2019 £
Wages and salaries	3,851,107	3,513,644
Social security costs	371,498	336,232
Pension costs	1,036,141	748,769
	<u>5,258,746</u>	<u>4,598,645</u>
Agency staff costs	8,472	17,533
	<u><u>5,267,218</u></u>	<u><u>4,616,178</u></u>

b. Staff numbers

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

	2020 No.	2019 No.
Teachers	64	57
Administration and Support	78	76
Management	8	7
	<u>150</u>	<u>140</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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10. Staff (continued)

c. Higher paid staff

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

	2020 No.	2019 No.
In the band £60,001 - £70,000	4	1
In the band £100,001 - £110,000	-	1
In the band £110,001 - £120,000	1	-
	<u>1</u>	<u>-</u>

d. Key management personnel

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £680,758 (2019 £734,621).

11. Trustees' remuneration and expenses

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

		2020 £	2019 £
Mr T Carroll, Headteacher	Remuneration	110,000 - 115,000	105,000 - 110,000
	Pension contributions paid	25,000 - 30,000	15,000 - 20,000
Mrs C O'Callaghan, Staff Governor	Remuneration	50,000 - 55,000	50,000 - 55,000
	Pension contributions paid	NIL	NIL
Miss S Peplow, Staff Governor	Remuneration	50,000 - 55,000	40,000 - 45,000
	Pension contributions paid	10,000 - 15,000	5,000 - 10,000
Mrs R Samet, Staff Governor	Remuneration	15,000 - 20,000	15,000 - 20,000
	Pension contributions paid	0 - 5,000	0 - 5,000

During the year ended 31 August 2020, expenses totalling £98 were reimbursed or paid directly to 1 Trustee (2019 - £1,205 to 3 Trustees), which related to staff-related reimbursements and not Trustee responsibilities.

Other related party transactions involving the Trustees are set out in note 26.

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12. Trustees' and Officers' insurance

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

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13. Tangible fixed assets

	Freehold property £	Assets under construction £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation						
At 1 September 2019	16,861,752	28,519	68,370	237,884	17,008	17,213,533
Additions	10,628,474	-	12,432	323,452	-	10,964,358
Transfers between classes	28,519	(28,519)	-	-	-	-
At 31 August 2020	27,518,745	-	80,802	561,336	17,008	28,177,891
Depreciation						
At 1 September 2019	3,420,716	-	66,556	236,545	17,008	3,740,825
Charge for the year	446,003	-	1,676	2,111	-	449,790
At 31 August 2020	3,866,719	-	68,232	238,656	17,008	4,190,615
Net book value						
At 31 August 2020	23,652,026	-	12,570	322,680	-	23,987,276
At 31 August 2019	13,441,036	28,519	1,814	1,339	-	13,472,708

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14. Debtors

	2020 £	2019 £
Due within one year		
Trade debtors	49,705	221,596
VAT repayable	586,005	20,741
Prepayments and accrued income	459,972	55,137
	<u>1,095,682</u>	<u>297,474</u>

15. Current asset investments

	2020 £	2019 £
Unlisted investments (liquid)	500,000	500,000
	<u>500,000</u>	<u>500,000</u>

16. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	54,250	-
Other taxation and social security	96,813	85,228
Other creditors	426,831	333,261
Accruals and deferred income	519,959	107,485
	<u>1,097,853</u>	<u>525,974</u>

	2020 £	2019 £
Deferred income at 1 September 2019	85,142	81,655
Resources deferred during the year	15,783	85,142
Amounts released from previous periods	(85,142)	(81,655)
	<u>15,783</u>	<u>85,142</u>

Deferred income predominantly relates to income received for 2020/21 school transport relating to Autumn 20/21 term.

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17. Statement of funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted						
Designated						
Astroturf fund	277,627	31,055	(2,392)	-	-	306,290
School fund	71,155	188,412	(229,590)	-	-	29,977
	<u>348,782</u>	<u>219,467</u>	<u>(231,982)</u>	<u>-</u>	<u>-</u>	<u>336,267</u>
Unrestricted	<u>1,321,008</u>	<u>144,180</u>	<u>(206,931)</u>	<u>-</u>	<u>-</u>	<u>1,258,257</u>
Total	<u>1,669,790</u>	<u>363,647</u>	<u>(438,913)</u>	<u>-</u>	<u>-</u>	<u>1,594,524</u>
Restricted general						
GAG	-	4,712,842	(4,712,842)	-	-	-
Other DfE	-	411,334	(411,334)	-	-	-
OGG	136,895	103,365	(240,260)	-	-	-
SSP	-	210,256	(210,256)	-	-	-
LC2	-	101,762	(101,762)	-	-	-
Pension	(1,744,000)	-	(226,000)	-	(1,434,000)	(3,404,000)
	<u>(1,607,105)</u>	<u>5,539,559</u>	<u>(5,902,454)</u>	<u>-</u>	<u>(1,434,000)</u>	<u>(3,404,000)</u>
Restricted fixed asset						
Fixed assets	13,472,708	-	(449,790)	10,964,358	-	23,987,276
DFC	-	20,898	(20,898)	-	-	-
CIF	-	252,538	-	-	-	252,538
Expansion	201,481	10,983,935	(41,866)	(10,964,358)	-	179,192
Other capital	-	9,999	(9,999)	-	-	-
	<u>13,674,189</u>	<u>11,267,370</u>	<u>(522,553)</u>	<u>-</u>	<u>-</u>	<u>24,419,006</u>
Total	<u>12,067,084</u>	<u>16,806,929</u>	<u>(6,425,007)</u>	<u>-</u>	<u>(1,434,000)</u>	<u>21,015,006</u>
Total funds	<u>13,736,874</u>	<u>17,170,576</u>	<u>(6,863,920)</u>	<u>-</u>	<u>(1,434,000)</u>	<u>22,609,530</u>

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17. Statement of funds (continued)

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

General Annual Grant (GAG)

This represents funding from the ESFA to cover the costs of recurrent expenditure.

Other Government grants (OGG)

Other Government grants represent funding from Government agencies to be used for specific purposes.

School fund

This is a separate fund specifically for the income and expenditure associated with student activities, for example, trips and visits, charitable fundraising, resources, School productions, School photographs etc.

Learning Community 2 (LC2)

This fund relates to the collaborative partnership between the 27 schools in Leighton Buzzard, Woburn and surrounding villages and funds joint activities such as training, conferences, research and development.

Astroturf fund

This is a separate fund specifically for income and expenditure associated with the use of the Astroturf facility. The fund is designed to meet all running costs and capital replacements for the facility.

School Sports Partnership (SSP)

The fund relates to a collaborative partnership of middle and lower schools within the Leighton Buzzard/Linslade catchment area. Providing cost effective coaching and mentoring of staff and students as well as the central provision of specialist activities such as cycling instruction and tests for students.

Pension reserve

This fund represents the Trust's share of the deficit on the Local Government Pension Scheme (LGPS) transferred to the Trust on conversion from a state controlled school.

Restricted fixed asset funds

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

Devolved Formula Capital (DFC) Fund

The Academy is to use the DFC allocation to maintain and improve its buildings and facilities.

Condition Improvement Fund (CIF)

This represents funding received from the ESFA to cover the costs of work done on the premises.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2020.

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds (continued)

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Designated						
Astroturf fund	244,893	34,804	(2,070)	-	-	277,627
School fund	34,055	156,304	(190,359)	71,155	-	71,155
	<u>278,948</u>	<u>191,108</u>	<u>(192,429)</u>	<u>71,155</u>	<u>-</u>	<u>348,782</u>
 Unrestricted	 1,335,123	 157,979	 (69,769)	 (102,325)	 -	 1,321,008
 Total	 1,614,071	 349,087	 (262,198)	 (31,170)	 -	 1,669,790
 Restricted general funds						
GAG	-	4,527,493	(4,450,804)	(76,689)	-	-
Other DfE	-	225,008	(225,008)	-	-	-
OGG	382,845	324,592	(324,592)	(245,950)	-	136,895
SSP	-	196,408	(196,408)	-	-	-
LC2	-	114,422	(114,422)	-	-	-
Pension	(1,042,000)	-	(185,000)	-	(517,000)	(1,744,000)
	<u>(659,155)</u>	<u>5,387,923</u>	<u>(5,496,234)</u>	<u>(322,639)</u>	<u>(517,000)</u>	<u>(1,607,105)</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds (continued)

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Restricted fixed asset funds						
Fixed assets	13,887,148	-	(448,493)	34,053	-	13,472,708
DFC	11,727	70,409	-	(82,136)	-	-
CIF	3,930	-	(3,930)	-	-	-
Expansion	-	-	-	201,481	-	201,481
Other capital	-	41,186	(241,597)	200,411	-	-
	<u>13,902,805</u>	<u>111,595</u>	<u>(694,020)</u>	<u>353,809</u>	<u>-</u>	<u>13,674,189</u>
Total	<u>13,243,650</u>	<u>5,499,518</u>	<u>(6,190,254)</u>	<u>31,170</u>	<u>(517,000)</u>	<u>12,067,084</u>
Total funds	<u>14,857,721</u>	<u>5,848,605</u>	<u>(6,452,452)</u>	<u>-</u>	<u>(517,000)</u>	<u>13,736,874</u>

18. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	23,987,276	23,987,276
Current assets	1,594,524	574,933	954,650	3,124,107
Creditors due within one year	-	(574,933)	(522,920)	(1,097,853)
Provisions for liabilities and charges	-	(3,404,000)	-	(3,404,000)
Total	<u>1,594,524</u>	<u>(3,404,000)</u>	<u>24,419,006</u>	<u>22,609,530</u>

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18. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	13,472,708	13,472,708
Current assets	1,669,790	662,869	201,481	2,534,140
Creditors due within one year	-	(525,974)	-	(525,974)
Provisions for liabilities and charges	-	(1,744,000)	-	(1,744,000)
Total	1,669,790	(1,607,105)	13,674,189	13,736,874

19. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2020 £	2019 £
Net income/(expenditure) for the period (as per Statement of Financial Activities)	10,306,656	(603,847)
Adjustments for:		
Depreciation	449,790	448,494
Interest receivable	(8,137)	(9,104)
Pension adjustments	226,000	185,000
Increase in debtors	(798,208)	(2,636)
Increase/(decrease) in creditors	571,879	(40,854)
Net cash provided by/(used in) operating activities	10,747,980	(22,947)

20. Cash flows from investing activities

	2020 £	2019 £
Interest	8,137	9,104
Purchase of tangible fixed assets	(10,964,358)	(34,054)
Net cash used in investing activities	(10,956,221)	(24,950)

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21. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	1,528,425	1,736,666

22. Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	1,736,666	(208,241)	1,528,425
Liquid investments	500,000	-	500,000
	<u>2,236,666</u>	<u>(208,241)</u>	<u>2,028,425</u>

23. Pension commitments

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

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

Contributions amounting to £27,993 were payable to the schemes at 31 August 2020 (2019 - £1,271) and are included within creditors.

Teachers' Pension Scheme

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

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £596,631 (2019 - £374,614).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £298,000 (2019 - £267,000), of which employer's contributions totalled £236,000 (2019 - £210,000) and employees' contributions totalled £ 62,000 (2019 - £57,000). The agreed contribution rates for future years are 21.3 per cent for employers and 5.5-12.5 per cent for employees.

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

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23. Pension commitments (continued)

Principal actuarial assumptions

	2020 %	2019 %
Rate of increase in salaries	3.25	2.5
Rate of increase for pensions in payment/inflation	2.25	2.2
Discount rate for scheme liabilities	1.6	1.85
Inflation assumption (CPI)	2.25	2.2
Inflation assumption (RPI)	3.05	3.2

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

	2020 Years	2019 Years
Retiring today		
Males	22.2	20.7
Females	24.3	23.2
Retiring in 20 years		
Males	23.4	21.7
Females	26.1	24.7

As at the 31 August 2020 the Trust had a pension liability of £3,404,000 (2019 - £1,744,000). The sensitivity analysis detailed below increase/ (decrease) the closing defined benefit obligation in the following way;

Sensitivity analysis

	2020 £000	2019 £000
Discount rate +0.1%	(177,000)	(108,000)
Discount rate -0.1%	181,000	110,000
Mortality assumption - 1 year increase	243,000	169,000
Mortality assumption - 1 year decrease	(235,000)	(164,000)
CPI rate +0.1%	163,000	92,000
CPI rate -0.1%	(159,000)	(90,000)

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23. Pension commitments (continued)

Share of scheme assets

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

	2020 £	2019 £
Equities	2,681,000	2,381,000
Bonds	635,000	535,000
Property	373,000	324,000
Cash and other liquid assets	237,000	160,000
Total market value of assets	3,926,000	3,400,000

The actual return on scheme assets was £211,000 (2019 - £87,000).

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

	2020 £	2019 £
Current service cost	429,000	345,000
Past service cost	-	21,000
Interest income	(64,000)	(88,000)
Interest cost	95,000	114,000
Administrative expenses	2,000	3,000
Total amount recognised in the Statement of Financial Activities	462,000	395,000

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

	2020 £	2019 £
At 1 September	5,144,000	4,010,000
Current service cost	429,000	345,000
Past service cost	-	21,000
Interest cost	95,000	114,000
Employee contributions	62,000	57,000
Actuarial losses	1,727,000	516,000
Benefits paid	(127,000)	81,000
At 31 August	7,330,000	5,144,000

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23. Pension commitments (continued)

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

	2020 £	2019 £
At 1 September	3,400,000	2,968,000
Interest income	64,000	88,000
Actuarial gains/(losses)	293,000	(1,000)
Employer contributions	236,000	210,000
Employee contributions	62,000	57,000
Benefits paid	(127,000)	81,000
Administration expenses	(2,000)	(3,000)
At 31 August	<u>3,926,000</u>	<u>3,400,000</u>

24. Operating lease commitments

At 31 August 2020 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	7,409	7,409
Later than 1 year and not later than 5 years	14,818	22,228
	<u>22,227</u>	<u>29,637</u>

25. Members' liability

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

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26. Related party transactions

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

A service level agreement is in place between Vandyke Upper School and Gilbert Inglefield Academy Trust, a Trust with common Trustees. £14,666 (2019 - £6,067) was recharged to Gilbert Inglefield Academy Trust during the year. Additionally, Vandyke Upper School purchased £947 (2019 - £1,671) of services from Gilbert Inglefield Academy Trust.

At year end there were no balances (2019 - £Nil) owing from the Gilbert Inglefield Academy Trust.

There were no other related party transactions (2019 - £Nil) during the year, other than Trustees' remuneration and expenses already disclosed in note 11.

27. Agency arrangements

The Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting year ending 31 August 2020 the Trust received £16,651 and did not distribute all funds in the year. A creditor of £3,540 is included in accruals at the year end.