

Teesside High School Limited
(A Company Limited by Guarantee)

Report of the Governors
and Financial Statements
for the Year Ended 31 July 2020

Registered Number: 00572205
Charity Number: 527386



Teesside High School Limited
(A Company Limited by Guarantee)

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for the Year Ended 31 July 2020

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Teesside High School Limited
(A Company Limited by Guarantee)

Legal and Administrative Details
for the Year Ended 31 July 2020

COMPANY REGISTRATION NUMBER: 00572205

CHARITY REGISTRATION NUMBER: 527386

REGISTERED OFFICE: The Avenue
Eaglescliffe
Stockton on Tees
TS16 9AT

**GOVERNORS AND DIRECTORS
(REFERRED TO AS GOVERNORS):** Mr R R Tindle - Chair
Mrs A Greenwood - Vice Chair
Mr C A S Atha
Mr D H Lister (resigned 6 January 2020)
Mr C G Watson
Mr R J Stone
Mr T G Watson
Mr T Cook
Mr A Warrior
Mrs A Guest
Dr A Steele
Mrs K Norton (appointed 6 January 2020; resigned 7 October 2020)

THE HEADTEACHER: Mrs K Mackenzie

SENIOR LEADERSHIP TEAM: Mrs K Mackenzie (Head Teacher)
Mrs S Langstaff (Finance Manager)
Miss N Stephens (Deputy Head, Pastoral)
Mr S Finn (Deputy Head, Assessment and Curriculum)
Mrs C Williams (Director of Prep School)

BANKERS: Barclays Bank plc
Barclays House
5 St Ann's Street
Quayside
Newcastle
NE1 3DX

SOLICITORS: Endeavour Partnership LLP
Tobias House
St Mark's Court
Teesdale Business Park
Teesside
TS17 6QW

AUDITORS: Anderson Barrowcliff LLP
3 Kingfisher Court
Bowesfield Park
Stockton on Tees
TS18 3EX

Teesside High School Limited
(A Company Limited by Guarantee)

Report of the Governors for the Year Ended 31 July 2020

The Governors of Teesside High School are pleased to present their annual report together with the financial statements of the charity for the year ending 31 July 2020 which are also prepared to meet the requirements for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum & Articles of Association, and 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) (effective 1 January 2015).

REFERENCE AND ADMINISTRATIVE INFORMATION

Teesside High School Limited was founded in 1970, as a result of the amalgamation of Queen Victoria High School (founded 1883) and Cleveland School (founded 1939). The School is a registered charity, number 527386, and is also a company limited by guarantee, registered company number 572205.

Directors

The Agnes Spencer Charitable Trust is entitled to appoint a Governor of the School. The Trust has resolved that, for the present time, the right to appoint a Governor would not be exercised.

Governors are appointed for the term of three years. They can be re-elected.

Details of Governors, senior leadership team and professional advisors can be found on page 1.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Company is governed by its Memorandum and Articles of Association, last amended on 6 December 2004.

Governing Body

Regular reviews of the current Board of Governors are used to assess areas where there may be skills shortages, and new Governors should be recruited. Potential Governors complete an application form, meet with the Chair of Governors and must also receive clearance from the Disclosure and Barring Service (DBS). Governors, who are also required under the Articles to serve as members of the Company, are elected at a full Governors meeting and required to meet the Board's specifications concerning eligibility, personal competence, specialist skills and local availability. Any Governors appointed at a Governors meeting are required to offer themselves for re-election at the first annual general meeting following their appointment.

Governor Training

New Governors are inducted into the workings of the school, and also of the Company as a registered charity, including board policy and procedures. Child protection training is made available annually to all Board members and is undertaken at least triennially by the Governor designated as the Child Protection Governor. Members avail themselves of training and induction courses offered by AGBIS (the Association of Governing Bodies of Independent Schools) and the Chairman of Governors is eligible for joint training with the Head through The Society of Heads.

Organisational Management

The Governors meet as a board at least six times a year to determine the general policy of the company and review its overall management and control for which they are legally responsible. The Finance and General Purposes Committee meet at least six times a year to implement the requirements of the Board's policy. Other Committees including Marketing, Education and Curriculum, Facilities, Human Resources and Staffing meet periodically and report to the full Board.

Risk Management

The Board of Governors regularly assess risks and uncertainties which face the School. The main risks are considered to be the general economic environment and the recruitment and retention of pupils and key members of staff. The Board believes that this regular assessment of risks is adequate to mitigate those risks.

Teesside High School Limited
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Report of the Governors for the Year Ended 31 July 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Arrangements for setting remuneration of key management personnel

The Board of Governors, and specifically the Staffing Committee, is responsible for setting the remuneration of key management personnel. They take into account the results of the School's annual performance management process as well as knowledge of the local market and comparison to other relevant bench-marking processes.

Related Parties

The Charity has a wholly owned non-charitable subsidiary, Teesside High School Enterprises Limited. The purpose of the Company is to raise revenue generally from non-school fee income. The company has not traded in the year.

Statement of Governors' Responsibilities

The Governors (who are also directors of Teesside High School Limited for the purposes of company law) are responsible for preparing the Report of the Governors and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the Governors are required to:-

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

The Governors are responsible for keeping proper accounting records that 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.

Statement of disclosure of information to auditors

We, the Governors who held office at the date of approval of these Financial Statements, as set out above, each confirm so far as we are aware, that:

- there is no relevant audit information of which the Company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as Governors in order to make ourselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Teesside High School Limited
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Report of the Governors for the Year Ended 31 July 2020

OBJECTIVES AND ACTIVITIES

Strategic Aim

Teesside High School is a small community with traditional values. Alongside our excellent reputation and record of high achievement, we find that parents value most our inclusive ethos and belief that every child matters. With high quality teaching and learning at the heart of everything we do, we provide a caring, friendly and welcoming environment in which each individual is nurtured, challenged and supported.

Everything we do is shaped by our aims:

- To provide an environment in which students achieve their full academic and personal potential in all areas of development, and become a caring, confident, self-disciplined and well-balanced adult.
- To nurture a sense of intellectual curiosity and to value creativity in all aspects of school life.
- To help each individual to develop a firmly rooted sense of justice and morality.
- To encourage each individual to develop self-esteem and to respect the rights, opinions and property of others irrespective of age, sex or religion.

Objectives for the Year

Teesside High School strives to be the independent school of choice for parents in the Tees Valley. Our principal objective is to continue to develop the school's delivery of first class teaching and learning, with the aim of securing outstanding performance in public examinations. Other objectives include continuing our superb record of success in the sporting and cultural fields, maintaining an unrivalled co-curricular offer outside of the classroom, delivering unrivalled pastoral care and focusing our efforts on recruitment of new pupils and retention of our existing students, with the objective that as many as possible continue their education at Teesside High School, from Nursery through to Sixth Form. Developing the school's infrastructure remains a key priority for the Governors, who endeavour to invest in the school's facilities where possible within the constraints of the funds available.

Principal Activity

The school's principal activity continues to be the provision of a Day School for 3-18 year olds.

Grant making

In the year ended 31 July 2020, we supported 35 children through our grant-making activities. Bursary support is available subject to a financial means test and total bursaries awarded were £190,755 (2019: £253,191).

Teesside High School Limited
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Report of the Governors for the Year Ended 31 July 2020

OBJECTIVES AND ACTIVITIES (continued)

Public Benefit

The School has sought to widen access in the spirit of the Charities Act by continuing to award means-tested support as detailed in the grant-making section above. The policy of allocating grants according to financial means has been rigorously applied.

The school has made considerable progress in its work with the local community in recent years, through a number of initiatives. We continue to provide outstanding opportunities to broaden the horizons of young people in local partner schools, many of whom are from disadvantaged backgrounds, through an extensive primary liaison programme. A successful partnership with a local independent bookshop has enabled over 2,000 children to visit the school to hear from a range of national children's authors. Despite the challenges of 2019-20 and the effects of the Covid-19 pandemic, this work continues and efforts are being made to move this aspect of the school's provision online, as with everything else we have sought to deliver through lockdown.

Community outreach within the Music Department has seen a positive link built with the pupils at Junction Farm Primary School, who performed to parents and members of the local community at two formal concerts at Teesside High School in the Autumn term.

Forest School classes are offered to local primary schools and the school's Holiday Camps, Big Adventures and Mountain Activity, continue to prove extremely popular with families in the local community. Until recent restrictions we saw our biggest external take-up of Holiday Camp places and we are committed to exploring how this provision can improve to meet the needs of working parents locally.

The school's co-curricular offer provides yet another strand of community partnership and still, in their year group bubbles, students are working on local charitable initiatives which allows them to realise their potential and showcase skills in a variety of areas, not least their generosity and spirit.

Charity lies at the heart of the school community and we continue to support a wide range of local and national charities such as Children in Need, Macmillan Cancer Support, Comic Relief, Save the Children and the Butterwick Hospice. An Easter egg collection prior to lockdown enabled the school to donate almost 500 eggs to the hospice so the charity could run raffles and Spring fundraising events.

Prior to the pandemic, the school hired its facilities to external organisations at subsidised rates during evenings, weekends and school holidays, providing a huge benefit to the community. With the disbandment of the Stockton Music Festival we have managed to retain our strong musical links, hosting the Tees Valley Youth Orchestra regular practices and concerts. We also hosted the Cleveland Philharmonic Concert in the Autumn term, which was a resounding success and brought national acclaim to the community.

The school continues to support the professional development of teachers, both through CPD training and through the training and employment of Newly Qualified Teachers (NQTs).

A full log of all events and grants made is updated and discussed by the Board of Governors regularly. In addition to the contribution made to the Local Authorities by way of indirect benefit, and to the Exchequer in the form of irrecoverable VAT, the school has provided training and resources which have directly benefited over 500 young people and adults.

We are committed to exploring imaginatively every avenue to widen access and demonstrate a commitment to local public benefit.

The Governors confirm that they have complied with the duty in section 4 of Charities Act 2006 to have due regard to guidance published by the commission regarding public benefit.

Report of the Governors for the Year Ended 31 July 2020

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

Operational Performance of the School

Covid-19 response

2019-20 is an academic year that will go down in history due to the impact and effects of the Covid-19 pandemic. Overnight our school was forced to close and our provision forced to change. With resilience and a forward-thinking approach at the heart of our decision making, we made our entire curriculum and every classroom lesson available online within days. Face to face teaching was at the heart of our delivery; students had access to over 2,000 Google Meet lessons with their regular teachers and the co-curricular opportunities and pastoral support our school is so often renowned for also continued. We were delighted to become known as a leader in distance learning provision locally and this was reinforced by a recent parental survey which found that over 9/10 parents at Teesside High School rated the school's distance learning provision as 'good' or 'excellent'.

Academic

Our academic honours were all the more impressive given the challenging circumstances our students found themselves in prior to their teacher assessed grades being calculated. Despite the ups, downs and u-turns reported regularly by the media, just two grades at Teesside High School were amended following teacher assessment. We were immensely proud that our teachers' professionalism and integrity shone through in such unusual times.

We were once again thrilled to secure an outstanding set of A-level results in August 2020, with students securing an impressive 100% pass rate. 56% of all entries secured the highest possible A* or A grades, more than double last year's North East average.

In addition, almost 50% of all Teesside High School Sixth Form students secured a straight set of A*-As, allowing them to progress to some of the most competitive universities in the country. Every single Year 13 pupil received their first choice university place through UCAS.

An impressive 71% of all entries at Teesside High School were awarded prestigious high grades (A*-B).

At GCSE, our students secured an impressive rise in the number of pupils achieving 7-9 grades in 2020 – 47% of entries achieved the very highest standard, compared to 27% nationally.

Almost two thirds of the school's GCSE entries achieved the equivalent of A*-B grades, allowing pupils to go on to study a raft of facilitating subjects at A-level.

The school secured a 95% GCSE pass rate, with 93% of all Year 11 students achieving the national benchmark of 5 or more passes including English and maths. Over 30% of our Year 11 cohort achieved 8 or more straight 7-9 grades.

Whilst we place significant importance on academic attainment, we are particularly proud that our students achieve such incredible outcomes in addition to their sporting, musical and outdoor education honours.

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Report of the Governors for the Year Ended 31 July 2020

STRATEGIC REPORT (continued)

Sporting

2019-20 started as busy as any other in the PE department, with many hours of activities covered in both lessons and co-curricular training and over 139 fixtures played before lockdown. Our students worked incredibly hard in the range of sports we offer. Their attitude and dedication to training and competitive fixtures was hugely commendable and contributed to the following successes:-

U16 County Hockey Tournament Winners
U16 Premiership Netball League Winners
U16 County Hockey League Winners
U16s Teesside District Rugby 10s Runners Up
Year 10A Netball Tournament Winners
U15 County 7s Hockey Tournament Runners Up
U14 County Hockey League Runners Up
U13B County Hockey League Runners Up
Year 8 Premiership Netball League Winners
Year 8A Indoor Hockey Tournament Runners Up
Year 8B Indoor Hockey Tournament Runners Up
U12B County Hockey League Runners Up

We also saw numerous individual successes; many pupils gained District, County and Regional representation in Netball, Hockey, Rugby, Cricket, Football and Athletics.

Cultural

The school's commitment to a wide education supported by extensive co-curricular provision has continued to grow with our Music and Drama departments flourishing. Our Performing Arts exhibition built on last year's success showcasing the best of our student talents in an evening variety performance, albeit delivered virtually. Despite being unable to run our annual musical performance, our Creative Arts team led a virtual VE Day celebration to be proud of, with hundreds of live viewers on social media.

Our instrumentalists continue the successes with a 100% pass rate in examinations and 43% achieving the grade of distinction. Particularly noteworthy successes were those grades achieved through lockdown, with students dialling in to examination conditions from home.

Our Duke of Edinburgh Scheme continues to develop student's self-reliance, resilience and teamwork and we were proud to continue with Covid-safe expeditions throughout the summer holiday, ensuring all students were able to achieve their award successfully.

Financial Review

The charity's net incoming resources for the year were £220,166 (2019: £282,107) before depreciation and £153,391 net incoming resources after depreciation (2019: £207,518). The results were in line with expectations for the year and the Board are pleased with the results shown in the accounts for the year ended 31 July 2020.

Reserves Policy

The School's policy on the use of reserves is to support the aims of the Charity. In particular the aim is to generate sufficient surplus to cover repayment of loans and capital expenditure each year. The Governors are confident that the School is making significant progress towards this objective. Total reserves at 31 July 2020 are £2,483,774, and further details on reserves is given in notes 18, 19 and 20 to the accounts.

Teesside High School Limited
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Report of the Governors for the Year Ended 31 July 2020

STRATEGIC REPORT (continued)

Investment Policy and Objectives


The Company has absolute power of investment of its corporate reserves. The Board continue to keep under review the investment risks and rewards in the current state of the market, and having taken professional advice, seek to obtain the best return from invested cash that on average exceeds general inflation.

Future Plans

Moving forward we will continue to strive to be the independent school of choice in the Tees Valley. We aspire to provide educational excellence in all areas of our academic profile, giving exceptional value added for our students, not only in examinations, but also in their experiences outside of the classroom.

Our vision of one school providing exceptional education for 3-18 year olds will continue to be a driving force, as we work together to create a seamless transition from one key stage to the next with our core values at the heart of all areas.

Approved by the Board of Governors on 3 February 2021 and signed on its behalf by:-


Mr Robert R Tindle
Chairman of Governors

Teesside High School Limited
(A Company Limited by Guarantee)

Independent Auditor's Report
to the Members of Teesside High School Limited

Opinion

We have audited the financial statements of Teesside High School Limited for the year ended 31 July 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and 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".

In our opinion the financial statements:-

- give a true and fair view of the state of the charitable company's affairs as at 31 July 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.

Basis for opinion

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

Conclusions relating to going concern

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 governors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the governors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company'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.

Other information

The governors are responsible for the other information. The other information comprises the information included in the Report of the governors, other than the financial statements and our auditor's report thereon. 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 Report of the Governors, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Report of the Governors have been prepared in accordance with applicable legal requirements.

Teesside High School Limited
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Independent Auditor's Report
to the Members of Teesside High School Limited

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Governors.

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 governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of governors

As explained more fully in the governors' responsibilities statement set out on page 3, the governors (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 governors 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 governors are responsible for assessing the charitable company'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 governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Use of our report

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

D J Robertson
Senior Statutory Auditor
For and on behalf of Anderson Barrowcliff LLP
Statutory Auditors
Chartered Accountants
3 Kingfisher Court
Bowesfield Park
Stockton on Tees
TS18 3EX

Date: 11 March 2021

Teesside High School Limited
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Statement of Financial Activities
(including Summary Income and Expenditure Account)
for the Year Ended 31 July 2020

		Unrestricted Funds	Restricted Funds	Total Funds 2020	Total Funds 2019
	<u>Note</u>	£	£	£	£
Income and endowments from:					
Donations and legacies	2	62,769	-	62,769	17,441
Charitable activities	3	3,941,053	-	3,941,053	4,039,504
Other trading activities	4	16,257	-	16,257	25,108
Investment income	5	483	-	483	457
Total income and endowments		4,020,562	-	4,020,562	4,082,510
Expenditure on:					
Charitable activities	6	3,859,835	7,336	3,867,171	3,874,992
Total Resources Expended		3,859,835	7,336	3,867,171	3,874,992
Net income/(expenditure)		160,727	(7,336)	153,391	207,518
Net movement in funds		160,727	(7,336)	153,391	207,518
Funds brought forward at 1 August 2019		2,319,055	11,328	2,330,383	2,122,865
Funds carried forward at 31 July 2020		<u>2,479,782</u>	<u>3,992</u>	<u>2,483,774</u>	<u>2,330,383</u>

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

All income and expenditure derive from continuing activities.

Teesside High School Limited
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Registered Number: 00572205

Balance Sheet as at 31 July 2020

	Notes	2020 £	2019 £
Fixed Assets			
Tangible assets	10	3,979,112	4,045,887
Investments	11	100,516	100,036
		<u>4,079,628</u>	<u>4,145,923</u>
Current Assets			
Debtors	12	63,047	81,863
Cash at bank & in hand		368,093	254,003
		<u>431,140</u>	<u>335,866</u>
Creditors: Amounts falling due within one year	13	(564,425)	(674,116)
Net Current (Liabilities)/Assets		<u>(133,285)</u>	<u>(338,250)</u>
Total Assets less Current liabilities		<u>3,946,343</u>	<u>3,807,673</u>
Creditors: Amounts falling due after more than one year	14	(1,462,569)	(1,477,290)
Net assets		<u>2,483,774</u>	<u>2,330,383</u>
Funds			
Unrestricted funds		2,479,782	2,319,055
Restricted funds	18	3,992	11,328
		<u>2,483,774</u>	<u>2,330,383</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The accounts were approved by the Board of Governors on 3 February 2021 and signed on its behalf by:-

Mr R R Tindle
Director

Mr T Cook
Director

The notes on pages 14 to 25 form part of these financial statements

Teesside High School Limited
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Cash Flow Statement
for the Year Ended 31 July 2020

	Notes	2020 £	2019 £
Cash inflow from operating activities	22	241,873	476,441
Interest paid		(53,445)	(61,954)
Net cash flow from operating activities		188,428	414,487
Cash flow from investing activities			
Investment income		3	-
Net cash flow from investing activities		3	-
Cash flow from financing activities			
Capital repayment of long term loans		(62,628)	(55,916)
Repayment of hire purchase		(11,713)	(11,706)
New hire purchase		-	-
Refinancing of loans		-	312,671
Net cash flow from financing activities		(74,341)	245,049
Net (decrease)/increase in cash and cash equivalents		114,090	659,536
Cash and cash equivalents at 1 August 2019		254,003	(405,533)
Cash and cash equivalents at 31 July 2020		368,093	254,003

Teesside High School Limited
(A Company Limited by Guarantee)

Notes to the Accounts for the Year Ended 31 July 2020

1 ACCOUNTING POLICIES

(a) General information and basis of preparation

Teesside High School Limited is constituted as a company limited by guarantee in the United Kingdom, registered in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements are prepared on a going concern basis under the historical cost convention as amended by deemed cost. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Preparation of consolidated financial statements

The company has taken the exemption under Section 402 of the Companies Act 2006 not to prepare consolidated financial statements, as the subsidiary is dormant in the current and prior year. The subsidiary has neither assets nor liabilities in the current and prior year. These financial statements present information about the company as a single undertaking.

(b) Funds

General Funds are unrestricted funds which are available for use at the discretion of the governors in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted Funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

(c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Fees received in advance of education to be provided in future years are held as liabilities until taken to income in the term when used.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Grants of a revenue nature are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met, then these amounts are deferred.

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Notes to the Accounts for the Year Ended 31 July 2020

1 (d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. All expenditure is categorised as "Expenditure on charitable activities".

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

(e) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity.

The analysis of these costs is included in note 7.

(f) Tangible fixed assets

Tangible fixed assets costing less than £500 are not capitalised.

Freehold land has not been depreciated. Freehold buildings are maintained to a very high standard and are therefore considered to have an indefinite useful economic life. As such they are not depreciated, but annual impairment reviews have so far confirmed that their service potential remains undiminished. Depreciation of other assets is provided at rates calculated to write off the cost less estimated residual value evenly over the estimated useful economic lives of each class of asset, subject to annual review.

Temporary buildings	8-20 years
Furniture and equipment	3-10 years
Motor vehicles	5 years

(g) Investments

Listed Investments are stated at market value at the balance sheet date. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year.

Interest received on investments held as cash are credited to the SOFA.

(h) Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

(i) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(j) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Teesside High School Limited
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Notes to the Accounts for the Year Ended 31 July 2020

1 (k) Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment.

(l) Leases and hire purchase

Rentals payable and receivable under operating leases are charged to the SOFA on a straight line basis over the period of the lease.

Assets obtained under hire purchase contracts are capitalised in the balance sheet and depreciated over their estimated useful lives. The interest element of these obligations is charged to the SOFA over the relevant period. The capital element of future payments is treated as a liability.

(m) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

Retirement benefits to teachers of the school are provided by the Teachers' Pension Scheme (TPS). This is a defined benefit scheme which is externally funded and contracted out of the State Earnings - Related Pension Scheme. Contributions to the scheme are calculated so as to spread the cost of pensions over employees' working lives with the school in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by qualified actuaries on the basis of quadrennial valuations using a prospective benefit method. The TPS is a multi-employer scheme and the school is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

(n) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

(o) Going concern

The financial statements have been prepared on a going concern basis as the Governors believe that no material uncertainties exist. The Governors have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

(p) Judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the Governors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period of the revision, if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

Teesside High School Limited
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Notes to the Accounts for the Year Ended 31 July 2020

2 INCOME FROM DONATIONS AND LEGACIES

	2020	2019
	£	£
Donations (note 19)	12,170	17,441
Coronavirus Job Retention Scheme	50,599	-
	<u>62,769</u>	<u>17,441</u>

3 INCOME FROM CHARITABLE ACTIVITIES

	2020	2019
	£	£
Tuition fees	3,664,154	3,677,406
Catering	147,377	212,467
Examinations	57,664	52,802
Transport/locker charges	60,860	83,124
Holiday/After School Care	11,587	13,693
Uniform sales	(589)	12
	<u>3,941,053</u>	<u>4,039,504</u>

4 INCOME FROM OTHER TRADING ACTIVITIES

	2020	2019
	£	£
Facility lettings,	14,932	24,627
Commission	1,325	481
	<u>16,257</u>	<u>25,108</u>

5 INCOME FROM INVESTMENTS

	2020	2019
	£	£
Bank interest	483	457
	<u>483</u>	<u>457</u>

Teesside High School Limited
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Notes to the Accounts for the Year Ended 31 July 2020

6 CHARITABLE ACTIVITIES

	Staff Costs	Premises	Other Costs	Total 2020	Total 2019
	£	£	£	£	£
Charity's educational operations					
• Direct costs	2,245,638	-	273,057	2,518,695	2,292,650
• Allocated support costs (note 7)	493,422	265,832	589,222	1,348,476	1,582,342
	<u>2,739,060</u>	<u>265,832</u>	<u>862,279</u>	<u>3,867,171</u>	<u>3,874,992</u>

	2020	2019
	£	£

Net expenditure for the period includes:-

Operating leases - plant and machinery	20,274	19,234
Depreciation - on owned assets	55,443	63,255
- on hire purchase	11,332	11,332
Fees payable to auditor - audit	8,770	7,644
- other services	1,200	3,408
	<u>20,274</u>	<u>19,234</u>

7 ALLOCATED SUPPORT COSTS

	2020	2019
	£	£
Support staff costs	472,100	435,705
Depreciation	66,775	74,587
Welfare costs	69,171	91,400
Premises costs	265,832	420,532
Administration costs	114,546	137,464
Grants awarded to pupils	244,302	293,211
Finance costs	65,266	73,679
Governance costs (note 8)	50,484	55,764
	<u>1,348,476</u>	<u>1,582,342</u>

8 GOVERNANCE COSTS

	2020	2019
	£	£
Legal & professional fees	15,502	18,464
Audit & accountancy	9,970	11,052
School inspection	2,573	5,872
Other Governance costs	1,117	808
Staff costs	21,322	19,568
	<u>50,484</u>	<u>55,764</u>

Teesside High School Limited
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Notes to the Accounts for the Year Ended 31 July 2020

9 STAFF COSTS

	2020	2019
	£	£
Wages & salaries	2,197,899	2,014,122
Social security costs	181,631	151,019
Pension contributions	359,530	234,746
	<hr/>	<hr/>
Total staff costs	<u>2,739,060</u>	<u>2,399,887</u>

No Governors remuneration or expenses were paid during the year.

	2020	2019
	Number	Number
The average number of employees in the year was:		
Teaching : Full time	31	26
Part time	13	15
Teaching support staff	17	18
Administration	8	9
Other	21	17
	<hr/>	<hr/>
	<u>90</u>	<u>85</u>

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

	2020	2019
	Number	Number
£70,001 - £80,000	1	1
	<hr/>	<hr/>
	<u>1</u>	<u>1</u>

The key management personnel of the charity comprise the Governors and the senior leadership team as listed on page 1. The total employees' benefits including employer pension contributions received by key management personnel for their services to the charity during the year was £325,786 (2019: £235,672).

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Notes to the Accounts for the Year Ended 31 July 2020

10 TANGIBLE FIXED ASSETS

	Freehold Land & Buildings £	Furniture & Equipment £	Motor Vehicles £	Total £
Cost				
At 1 August 2019	4,069,078	1,201,230	107,642	5,377,950
At 31 July 2020	4,069,078	1,201,230	107,642	5,377,950
Depreciation				
At 1 August 2019	172,666	1,092,097	67,300	1,332,063
Provided during year	24,791	30,652	11,332	66,775
At 31 July 2020	197,457	1,122,749	78,632	1,398,838
Net Book Value				
At 31 July 2020	3,871,621	78,481	29,010	3,979,112
At 31 July 2019	3,896,412	109,133	40,342	4,045,887

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:-

	Motor Vehicles £
Cost	
At 1 August 2019	56,660
Additions	-
At 31 July 2020	56,660
Depreciation	
At 1 August 2019	16,318
Provided during year	11,332
At 31 July 2020	27,650
Net Book Value	
At 31 July 2020	29,010
At 31 July 2019	40,342

Teesside High School Limited
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Notes to the Accounts for the Year Ended 31 July 2020

11 INVESTMENTS

	2020 £	2019 £
Deposit account	100,516	100,036
	<u>100,516</u>	<u>100,036</u>

The increase in value of £480 (2019: £457) relates to interest received.

12 DEBTORS

	2020 £	2019 £
Trade debtors	23,026	45,839
Prepayments	35,703	33,483
Other debtors	4,318	2,541
	<u>63,047</u>	<u>81,863</u>

13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Note	2020 £	2019 £
Trade creditors		45,281	42,580
Social Security & other taxes		52,679	44,313
Other creditors		43,316	29,493
Accruals & deferred income		385,667	460,628
Bank loan	15	23,999	83,764
Hire purchase		13,483	13,338
		<u>564,425</u>	<u>674,116</u>

14 CREDITORS: DUE AFTER MORE THAN ONE YEAR

	Note	2020 £	2019 £
Bank loan	15	1,457,781	1,460,644
Hire Purchase		4,788	16,646
		<u>1,462,569</u>	<u>1,477,290</u>

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Notes to the Accounts for the Year Ended 31 July 2020

15 BANK LOAN

	2020 £	2019 £
Amounts repayable by instalments:		
In one year or less	23,999	83,764
In over two to five years	357,008	367,788
In over five years	1,100,773	1,092,856
	<u>1,481,780</u>	<u>1,544,408</u>

On 28 September 2018, the three outstanding loans were refinanced with the current lender into one new loan facility. The new loan is £1.6m, with a term of five years repayable in quarterly instalments commencing in December 2018. Interest is payable at a variable rate of 2.95% over base rate.

16 SECURED DEBTS

	2020 £	2019 £
Bank loans	1,481,780	1,544,408
Hire purchase agreement	18,271	29,984
	<u>1,500,051</u>	<u>1,574,392</u>

Bank loans and overdrafts are secured by a legal mortgage and fixed charge over all assets of the company. Hire purchase agreements are secured on the assets to which they relate.

17 LEASES

Total future minimum lease payments under non-cancellable operating leases are as follows:-

	2020 £	2019 £
Not later than one year	11,176	16,071
Later than one and not later than five years	18,308	4,737
	<u>29,484</u>	<u>20,808</u>

18 RESTRICTED FUNDS

	Hurworth House School £	Total £
Balance as at 1 August 2019	11,328	11,328
Spent in year	(7,336)	(7,336)
	<u>3,992</u>	<u>3,992</u>
Balance as at 31 July 2020	<u>3,992</u>	<u>3,992</u>

The money from Hurworth House School is to be used for granting bursaries to students from the Darlington area.

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Notes to the Accounts for the Year Ended 31 July 2020

19 DESIGNATED FUNDS

	2020 £
Balance as at 1 August 2019	102,102
Donations recognised in the year	12,170
	<hr/>
Balance as at 31 July 2020	114,272
	<hr/>

The designated fund consists of donations made to the Teesside High School Foundation, which supports the school to achieve its vision by contributing to the development and improvement of school facilities.

20 UNRESTRICTED FUNDS

	Balance at 1 August 2019 £	Income £	Expenditure £	Balance at 31 July 2020 £
Unrestricted	2,319,055	4,020,562	3,859,835	2,479,782
	<hr/>	<hr/>	<hr/>	<hr/>
	2,319,055	4,020,562	3,859,835	2,479,782
	<hr/>	<hr/>	<hr/>	<hr/>

21 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	2020	2020	2020	2019	2019	2019
	Unrestricted Funds £	Restricted Funds £	Total £	Unrestricted Funds £	Restricted Funds £	Total £
Fixed assets	4,079,628	-	4,079,628	4,145,923	-	4,145,923
Current assets	427,148	3,992	431,140	324,538	11,328	335,866
Liabilities	(2,026,994)	-	(2,026,994)	(2,151,406)	-	(2,151,406)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	2,479,782	3,992	2,483,774	2,319,055	11,328	2,330,383
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

22 RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net income for year	153,391	207,518
Interest payable	53,445	61,954
Depreciation and profit on disposal of fixed assets	66,775	74,588
Decrease/(increase) in debtors	18,816	54,914
Increase/(decrease) in creditors	(50,071)	77,924
Return on investment	(480)	(457)
Interest income	(3)	-
	<hr/>	<hr/>
Net cash flow from operating activities	241,873	476,441
	<hr/>	<hr/>

Teesside High School Limited
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Notes to the Accounts for the Year Ended 31 July 2020

23 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2020 £	2019 £
Cash at bank and in hand	368,095	254,003

24 ANALYSIS OF CHANGES IN NET DEBT

	At 01.08.19 £	Cashflow £	At 31.07.20 £
Net cash			
Cash at bank and in hand	254,003	114,092	368,095
Debt			
Bank loan due within 1 year	(83,764)	59,404	(24,360)
Bank loan due 2-5 years	(367,788)	(51,394)	(419,182)
Bank loan due after 5 years	(1,092,856)	54,618	(1,038,238)
Hire purchase due within 1 year	(13,338)	(145)	(13,483)
Hire purchase due after 1 year	(16,646)	11,858	(4,788)
Total	(1,574,392)	74,341	(1,500,051)

25 PENSION SCHEMES

(a) Defined contribution pension plans

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the year was £11,145 (2019: £9,302).

The defined contribution liability is allocated to unrestricted funds.

(b) Defined benefit pension plans

Some of the school's employees belong to the Teachers' Pension Scheme England and Wales (TPS). The scheme is a defined benefit scheme. The total pension cost was £348,384 (2019: £227,950). Contributions of £40,914 (2019: £29,173) were outstanding at the balance sheet date.

Introduction

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership.

Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

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Notes to the Accounts for the Year Ended 31 July 2020

25 PENSION SCHEMES - continued

The Teachers' Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

As a result of the latest scheme valuation employer contributions were increased in September 2019 from a rate of 16.4% to 23.6%. Employers also pay a charge equivalent to 0.08% of pensionable salary costs to cover administration expenses.

The next valuation is expected to take effect in 2023.

A copy of the latest valuation report can be found by following this link to [the Teachers' Pension Scheme website](#)

Scheme Changes

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, rejected the Government's application for permission to appeal the Court of Appeal's ruling and subsequently referred the case to an Employment Tribunal to determine a remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

Since then, claims have also been lodged against the main public service schemes including the TPS. The Department has conceded those in line with the rest of the government. In July 2020 HM Treasury launched a 12-week public consultation which will provide evidence to support the delivery of an appropriate remedy for the affected schemes, including TPS.

A final remedy will be determined once the results of the consultation are established.

In December 2019, a further legal challenge was made against the TPS relating to an identified equalities issue whereby male survivors of opposite-sex marriages and civil partnerships are treated less favourably than survivors in same-sex marriages and civil partnerships. The Secretary of State for Education agreed not to defend the case. In June 2020, the Employment Tribunal recorded its findings in respect of the claimant. DfE is currently working to establish what changes are necessary to address this discrimination.

Any impact of these events will be taken into account when the next scheme valuation is implemented. This is scheduled to be implemented in April 2023, based on April 2020 data.

26 CONTROL RELATIONSHIPS

The Company is under the control of the governors as noted on page 1.

27 RELATED PARTY TRANSACTIONS

No transactions have been entered into with related parties.