

SCHOOLS NORTH EAST
A company limited by guarantee

REPORT AND FINANCIAL STATEMENTS
For the year ended 31 July 2020

Charity number 1129594
Company number 06450637

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TRUSTEES REPORT
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The Trustees are pleased to present their annual Directors' report together with financial statements of the charity for the year ended 31 July 2020, which are also prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and 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 to the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Introduction from Chair of Schools North East, John Hardy

Schools North East's annual Directors' report provides the Trustees and staff of School North East a valuable and welcome opportunity to reflect on the work of the charity over the last academic year; in particular, to take stock of how it has continued to develop over the last 12 months and to consider its future direction.

Introduction from Chair of Trustees, John Hardy

As Chair, on behalf of our Trustees and Board, I would like to thank all of our Partner Schools for their incredible hard work over the last 12 months supporting North East's education community and their desire to collectively improve outcomes for the North East's children and young people, despite an incredibly difficult year, and numerous challenges they have faced. Schools North East was founded on the principle that our schools are stronger when working together and the last year has proven this to be true, facilitating support and collaboration, as well as providing the region's schools with a powerful voice to represent the challenges they have faced to policymakers at the highest levels.

It has become a cliché to refer to the events of this year as being unprecedented, but there is no doubt that there has not in recent history been a more challenging or difficult year for North East schools and their staff. While many organisations completely shut down operations and furloughed staff, Schools North East committed to providing enhanced, crucial support to North East schools when they needed it most.

The year 2019 - 20 has certainly been one of two halves; both successful but in very different ways. Prior to the disruption caused by the pandemic, Schools North East was on track for another record-breaking year. As well as record-breaking delegate attendance at conferences, the events programme attracted high profile speakers such

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as Lord Agnew, the Secretary of State for Education, and senior figures from Ofsted. At Academies 2020 we saw Gavin Williamson unveil the operational plans for Opportunity North East. The autumn term also saw the launch of our *'Manifesto for North East Education'*, an extensive piece of policy-influencing work which began with the 2019 General Election - calling on all parties to take the issues raised seriously, but also looking well beyond this, towards real long term change that will ensure the North East no longer gets left behind by policymakers. In addition, new programmes such as Ednorth and the online learning community ConnectEd, were growing in scale, scope, and engagement.

When the national lockdown and partial school closures came into force in March, Schools North East, like organisations across the country, was forced to postpone events and put some activities on hold. However, responding in an agile way, working from home, the team were able to target their efforts to enhance their support for our schools as they opened for the most vulnerable and to the children of key workers, supported their local communities, and began home-learning. Regular information updates were introduced to help school leaders navigate their way through ever-changing guidance, and webinars with experts in relevant fields helped schools understand what was required of them as guidance constantly shifted.

Rather than cancelling events, Schools North East moved them online, to give our staff the support they needed. This had the incredible impact of making our programmes more accessible than ever before, with the team streaming sessions and webinars to thousands from their kitchens and living rooms. In addition, Schools North East facilitated greater collaboration throughout the region with ConnectEd growing almost overnight to over 3,000 users. The team also worked with external organisations and charities to highlight the issues faced by our most disadvantaged communities, and worked with the media to change the negative narrative around our schools. Schools North East showcased the incredible work of school leaders and school staff in our region, with stories in local and national media, helping to illustrate how schools really have been the fourth emergency service during the pandemic.

Midway through the national crisis, Schools North East's agile response and increased support to schools was recognised by the Department for Education, which commissioned us to set up the National Network of Special Schools (NNoSS), a new national network for School Business Professionals in special schools and alternative provision. The Schools North East network model was a key factor in this success, and since NNoSS was launched in the summer term it has already garnered significant national support and interest from schools.

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The ability of Schools North East to provide support for all schools and staff over the course of this year, not just, but especially, during a health emergency, has been widely appreciated across the network. Swift acclimatisation to new ways of working and embracing the potential of digital technologies has offered huge opportunities. All of this has been done while continuing to make plans for the future, not just fire-fighting the present difficulties. Financially, the organisation has remained secure, despite the significant impact of losing potential income from the sponsorship of physical events.

The work that Schools North East does cannot be done without the support of our Partner Schools and Commercial and Education Supporters, even during normal circumstances. However, in what has been a very difficult year for many organisations this support has allowed Schools North East to maintain a very healthy financial position, unlike so many other charities. I would also like to extend my thanks to the organisation's partners as well as all event delegates, Jobs in Schools I North East subscribers, Trustees, Board and SBM Council members, who help to drive the organisation.

Last but certainly not least it is important to acknowledge that all of this has happened under new leadership, with Chris Zarraga appointed as Director, and Pauline Aitchison appointed as Deputy Director at the beginning of this year. Schools North East has made significant achievements under this leadership, with the support of the whole team, and how they have responded to the events of this year. The team has shown resilience and a total commitment to supporting schools in this region.

As schools walk into the new normal in the next academic year, I, alongside my fellow Trustees, am confident that Schools North East will continue to have a significant and positive impact supporting the region's schools and providing a powerful voice for them in the formulation of education policy.

John Hardy
Chair of Schools North East

Objectives

The Charity's objectives are for the public benefit:

- the advancement of education for the public benefit of children and young people up to the age of 25;
- work together to support, inform and influence key regional strategies;
- enable schools to improve the quality and effectiveness of education and build links with the employment sector.

The Trustees of Schools North East confirm that they have read and given due regard to the Charity Commission's guidance on public benefit. The Trustees confirm that they have complied with their duties under Section 4 of the Charities Act 2006 with regard to public benefit. Having considered the guidance, the Trustees have concluded that the work of Schools North East directly supports and strengthens the advancement of education in the region.

Vision

Schools North East has a clear vision of:

“Young people in North East England who are confident, enterprising, skilled and aspiring: learning and developing within well resourced, nurturing, purposeful and collaborative school environments”

Values

All our work is underpinned by four clear values. We are:
Inclusive, yet **Independent; Innovative**, and with **Integrity**

We are **for all North East schools** - regardless of size, type, faith, structure and geographical location. Our **inclusivity** is what defines us. Our driving passion is to engage at all levels to support schools to do their best for the region's children.

We are **independent**, *but not neutral* - we campaign to improve conditions for North East schools. We engage with partners across all sectors for the benefit of schools, as well as with individuals and bodies across the political spectrum. **Innovation** is at our core. While we build on the knowledge of the past, we seek fresh solutions for the challenges of the present and to shape our future. We have a strong social purpose which is the foundation of our work. It dictates our actions and our behaviour; it defines us in the eyes of others. Our **integrity** underpins all that we do.

Shaping our Future 2017-2020 strategy

The Trustees set out the current priorities for the organisation in the *Shaping Our Future 2017-2020* strategy. The four pillars of the strategy being:

- Evidence-based excellence
- Recruitment and retention
- Pupil mental health
- The environment around schools

Evidence Based Excellence

Over the last year the Ednorth programme has engaged with hundreds of teachers, leaders and school staff across the region. The reach of the programme is extensive and covers all parts of the region, from Berwick in the North to out of area schools such as Snainton Primary in the south. We have over 100 teachers and leaders who have accepted positions as Ednorth Advocates and Lead Advocates, with these advocates helping to develop the programme throughout the year by presenting sessions at TeachMeets, developing resources on ConnectEd and championing the programme in their local areas.

TeachMeets

The TeachMeets have been very successful since their launch in February. We held the first physical events at Macmillan Academy in Middlesbrough and Royal Grammar School in Newcastle. These events were attended by over 80 delegates and showcased some excellent teaching and learning practice which garnered impressive and appreciative feedback. Since the lockdown the TeachMeet program has moved to an online format, where we have had over 400 school delegates attend these events.

Ambassadors

We have now recruited 13 Ednorth Ambassadors who are highly respected and internationally influential educationalists who are supporting Ednorth and its Advocate programme. As well as providing expert knowledge and advice to support the work of the Advocates, the Ambassadors help to spread our vision for change and gather support from within their networks. These include Professor Rob Coe, Alex Quigley and Tom Martell of the EEF, Professor Dame Sue Bailey, Professor Stephen Gorrard, Professor Steve Higgins, Nadia Siddiqui, Sean Harris, Sir Kevan Collins, Beccy Earnshaw, Sam Twiselton, Jonathan Haslam and Professor Lynne McKenna. We have identified a number of Ambassadorial targets who we will be engaging with in the coming months.

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SHINE Trust Funding

This year has seen a lot of engagement with schools, teachers and leaders across the region who have been busy developing proposals to access the SHINE Trust ring-fenced funding for projects based around Ready for School, Bridging the Gap and Flying High. There have been more than 300 initial enquiries from over 220 schools, inclusive of all provision types from Special Schools and PRU's to Multi-Academy Trusts. Of these initial enquiries around 50 have gone through to the proposal and application stage. Due to the impact of Covid-19, the deadlines for application rounds were postponed this year, however we are confident that the first round of funding will be released in December 2020. These projects show a great amount of potential and are dealing with some of the most important issues that face the children in our region, such as primary to secondary transition and raising literacy levels.

ConnectEd and Social Media

Ednorth has a strong presence on ConnectEd with a dedicated Ednorth group which is a place for teachers across the region to share, discuss and network. The social media presence of Twitter has improved exponentially since the start of the academic year, with almost 4000 followers now engaging with the account.

2020 – 2021 Next steps for Ednorth:

- The first round of funding decisions in December will see the first Ednorth/SHINE projects being launched.
- The **TeachMeet program** will be developed in both a virtual and physical (when permitted) manner, engaging with the key educational issues teachers face across the North East.
- Identification and recruitment of new **Ambassadors**.
- Development and implementation of the **Institutional Ambassador** program.
- Developing the local Advocate network to begin running research projects based on local, contextual needs.
- Development of the Ednorth kitemark program to upskill Lead Advocates in aspects of research.
- Planning for **CelebrateEd – The Northern Celebration of Education 2021**

Recruitment and Retention

At the forefront of our strategy to support recruitment and retention in schools across our region is our 'not-for profit' recruitment portal **Jobs in Schools | North East**. The portal is specifically for North East schools to tackle the ongoing recruitment challenge identified by working with our Heads. Jobs in Schools provides a way for North East schools to recruit the best teachers for their schools whilst cutting recruitment costs, with a clear commitment to reinvesting revenues back

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into promoting the North East as a teaching destination, attracting teachers both nationally and internationally.

Like many elements of school life, recruitment for positions in schools was heavily disrupted by Covid-19 and as a result advertising between March and August (typically a time of high usage) dropped significantly with half as many jobs posted between May-June as this time last year.

Despite this, we have seen a return to people recruiting and using Jobs in Schools North East – with job postings comparative to last year beginning to increase in July.

Headline statistics

- Continued support from across the region, with many schools and MATs using the portal as their **main or only means of advertising their vacancies** - 240 schools (10% increase on 18/19 in schools subscribed to use Jobs in Schools North East) and 12 MATs
- 50% of all secondary schools in North East subscribe
- Advertised nearly 800 regional vacancies with each job viewed, on average, over 500 times
- Targeted Google Ad campaign that resulted in candidates from across the country signing up for job alerts and applications for roles in North East schools.

Pupil Mental Health

The Schools North East Healthy MindED Commission is working towards establishing a clearer picture of the state of mental health in schools in the North East. The work of the Commission will help to inform thinking at a local and national level with regard to how schools can adapt their environments to promote better mental health while recognising the many factors external to schools that impact on this.

The Voice of the Pupil Project, which had previously been the focus of the Healthy MindED Commission, came to a close in 2019-20, and a final report has been written up on the findings by Richard Parker, Joint Degree Programme Manager and Educational Psychologist, Newcastle University, and Peter Mullholland, Senior Educational Psychologist at Durham County Council. We are in the process of getting this published in an academic journal.

With the Voice of the Pupil project coming to a conclusion, we are now looking at the future work of the Commission. To facilitate this, we are considering expanding the membership to include a wider variety of professional backgrounds, bringing new perspectives and expertise to the work of the Commission. We are also looking to set up reference groups for those who are unable to make a full commitment to membership, but are able to provide the Commission with expert

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advice and briefing papers on particular issues to support our work. Meetings of the Commission in 2019-20 have expressed a clear interest in now developing a Voice of the Teacher strand.

Despite the coronavirus lockdown we were still able to hold our annual Healthy MindED Conference by converting this to a virtual event. The event was a mix of live and pre-recorded webinars and was a huge success with over 1,000 delegates. Moving the event online allowed it to be more accessible to staff across the region, attracting delegates who may not have been able to attend the physical event. Given the circumstances schools were in, the focus of Healthy MindED this year was to provide the practical support and advice schools need to address the likely impact of the coronavirus and the lockdown on mental health, both for children and staff. We focused on four main strands: behaviour, trauma, staff wellbeing, and the recovery curriculum.

We are now looking on how to build on this work to ensure we can continue to support schools as they deal with the impact of the lockdown, as well as developing the Voice of the Pupil project so that it can be used within schools to support them.

The environment around schools

Opportunity North East

For over two years Schools North East campaigned tirelessly in order that the North East be granted 'Opportunity Area' status, which came to a successful conclusion when the Secretary of State for Education **announced in October 2018 that £24m would be invested in our region through 'Opportunity North East', with 30 ONE vision schools benefiting from the funding.**

Schools North East Director Chris Zarraga represents the region's schools on the Opportunity North East Strategy Board. Education Secretary, Gavin Williamson announced the operational plan for the programme at the Schools North East Academies Conference 2020.

Events

Our annual events programme provides valuable opportunities for North East school staff to network with colleagues from across the region, and collaborate on key issues affecting their roles and schools. It is also a forum for staff to hear from leading and senior figures in the education sector and to offer quality continuous professional development which will support them in their roles.

Our events have been growing in number and scale in recent years and we began the year with a schedule that has become typical for Schools North East:

- A sold out Summit of 525 HTs/CEOs from across the region;

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- Over 450 attending our annual Ofsted Update;
- Sold out events covering developments in curriculum and managing challenging behaviour, and
- Gavin Williamson using our Academies Conference in January as the platform to deliver his first speech as confirmed Secretary of State following the 2019 General Election

We had an equally busy schedule for the spring and summer terms, but when lockdown was announced in March we had to cancel all physical events including our annual Patron's Dinner. Fortunately, the Schools North East events team responded immediately, converting the entirety of our remaining events programme to a virtual one. This has enabled us to support staggering numbers of school staff from across the region, but also, Yorkshire, Cumbria, the South West, London, the Midlands, and beyond.

Since March we've been able to:

- Hold 3 major annual conferences online to support over 3,000 delegates
 - Governance Conference
 - Healthy MindED
 - CelebrateEd
- Hold free legal support webinars to support schools with the ever changing situation;
- Host a CPD day for School Business Managers; and
- Host the launch of the Money and Me resources from Bank of England, TES and Beano

Our new flexibility to be online has made our events more accessible to school staff. In total in 19/20 we've held 34 events, with a total of 7,342 delegates throughout the year, reaching over 1,000 schools in the region.

Full List of Schools North East Events 2019/20:

AGM

Summit

Ednorth Advocates 1

Ednorth Advocates 2

Webinar SBM (JT)

Webinar Governance (Autumn)

Ofsted Update

Early Years TeachMeet

Curriculum Conference

Academies Conference

Supporting Challenging Learners

Northern Governance Conference (Online)

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Healthy MindED (Online)
CelebrateEd (Online)
Macmillan TeachMeet
RGS TeachMeet
SBM HR Spring Update
Governance Spring Term Webinar
Coronavirus Webinar
Manifesto Policy Round Table
SBM - Furlough/IR35 Webinar
SBM - Coping in a Crisis Webinar
Early Careers Virtual TeachMeet
Celebration Online Quiz
SBM Preparing for the wider opening of schools from
Q&A with Ward Hadaway - Wider opening of schools webinar
Q&A with Ward Hadaway Law Firm - the wider opening of schools
'Recruiting staff in schools through COVID-19 Lockdown and beyond'
Q&A with Ward Hadaway Law Firm - the wider opening of schools
Roundtable with Ofqual
SBM CPD Day HR/Finance
Wrigleys Solicitors - governor and trustee liabilities
Ednorth TeachMeet - Recovery Curriculum
Everyday economics: the importance of financial education post-Covid.

National Network of Special Schools

Schools North East was delighted to be commissioned by the Department for Education to deliver a national network of Special Schools and Alternative Provision for School Business Professionals (NNoSS). The vision is for all School Business Professionals in maintained, free and academy AP and Special Schools to have access to an effective support network. Schools North East is leading the way in collaboration and networking and this has been recognised at the highest level, with the DfE choosing to use our network model for this national programme. The national network will build on this work to facilitate good and best practice, it will lead, drive and deliver behaviour change in schools' buying practices, and be linked with wider regional and national networks. It will be a source of support, information, advice, guidance and continuing professional development for its members.

Since the launch in early July, there have been over 100 School Business Professionals signed up to NNoSS, from areas throughout England representing special, AP and hospital schools; from primary, secondary and all through; maintained, independent, free schools and academies. NNoSS will be led by its members and is an opportunity for School Business Professionals to have their voice heard in the national debate.

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SBM Coffee Breaks

In June, Schools North East launched fortnightly 'coffee break' drop in sessions for School Business Professionals. The aim of these meetings was to have an informal forum for any staff working in the school business function - administration, HR, finance etc, to discuss the challenges and issues they are currently facing and look at ways of supporting each other. This also gives Schools North East the opportunity to hear and understand the key areas for concern.

Our Strategic Goals

We seek to achieve our vision by being recognised as:

- the **hub of engagement** for schools and teaching professionals in the North East of England who have a passion to look beyond their own school gates to learn, to share and to innovate.
- the **body of record** for developments in the education landscape, a valuable resource supporting school leaders to horizon scan and stay connected with national and regional policy.
- the **definitive, apolitical voice** of schools in the region, influencing the shape of regional and national policy to deliver on our vision for young people.
- a **driver of change**, connecting the right organisations, decision makers and influencers to add real, tangible value to the education system in the North East.

Hub of Engagement

Partner Schools

Throughout 2019/20, Schools North East has continued to work with Partner Schools from across the region to ensure they have access to the benefits of the network and that we can support them to help improve educational outcomes in the region. Partner Schools drive Schools North East, through the Annual General Meeting and committees, which relate to the educational priorities of the region, as directed by Partner Schools themselves. This ensures that as an organisation, Schools North East meets and responds to the needs of North East Schools and the children and young people they serve.

Our Partner Schools are the lifeblood of the organisation...showing their commitment to working together for the future of the children in our region. We now have 545 Partner Schools across every Local Authority in the North East, as well as areas such as North Yorkshire, Cumbria, Bolton amongst others.

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We continue to support and be inclusive for **all** schools working with maintained and academy, primary, secondary, all-through, first, middle, special, alternative, hospital, and faith provision. Key highlights of 2019/20 were:

- The sign up of **67 new Partner Schools – now 545 Partner Schools (a 12% increase on the previous year), nearly half of all schools in the North East;**
- **43 North East MATs** are now Partner Trusts (over 50% of NE Trusts with 2 or more schools are Partner Trusts) with 70% of all academies in North East being Partner Schools;
- We continue to gain traction with our out of region Partner Schools, now having 16. With the huge increase in engagement from schools outside of the region this year there is good potential to continue to increase this;
- A Partner School renewal rate of over **95%**.

Reach

Our reach continues to grow year on year, and we have actively engaged with **over 1,100 schools, of which 920 are North East schools (80% of all schools in the North East)** this year and **271** out of region schools.

We have reached school staff in 800 primary schools and 300 secondary schools, 159 of which are in the North East (92% of secondary schools in the region).

Roundtables

Due to the ongoing disruption schools were facing from Covid-19, we launched a series of regular roundtables - one for North East CEOs and another for special and AP CEOs and Head Teachers. These roundtable discussions are a forum for leaders to discuss the unique challenges of their settings and have proved an excellent forum for feedback on key issues and for school leaders to collaborate and support each other. Our Trust CEO Roundtables have supported 18 Trust CEOs currently responsible for 178 schools across every local authority in the North East while our Special and AP Roundtable has supported 14 HTs/CEOs responsible for 21 schools at a time when guidance for Special and AP in particular has been limited.

As well as presenting new challenges for schools, the coronavirus lockdown has highlighted pre-existing issues around education policy. As lockdown measures begin to ease, it is crucial we continue to press for the changes schools in the North East need.

ConnectEd - Virtual Community

The beginning of the year saw a phased roll-out of our online community ConnectEd, to help North East school staff, leaders in particular, connect, engage with each other and share ideas and resources. However, with lockdown and partial school closures, connecting to colleagues suddenly became even more important than ever. The online community grew exponentially with almost 3,000 North East school staff signing up, over 30 groups including role specific areas for SBMs and Governors, and subject hubs for teaching staff.

A number of Subject Hub Advocates have been recruited to post content, produce regular bulletins and encourage engagement in their hubs.

Body of Record

Communications

The Schools North East Weekly Update is now sent to over 3,500 subscribers, outperforming industry averages with an open rate of 28.1% and click through rate of 6.69% compared to education industry averages of 23.42% and 2.90% respectively. Through 2019/20 41 weekly newsletter updates were sent including two additional newsletters over the Easter break due to the unique situation with many schools remaining fully open.

The format of the newsletter changed significantly from March due to the ongoing coronavirus pandemic. Instead of leading with national news, school stories were prioritised, sharing the brilliant work of North East schools during an incredibly difficult time. An 'expert' column was also developed to explore in depth some of the issues arising out of, and exacerbated by the coronavirus crisis.

As well as a new format to the newsletter 'Coronavirus Updates' were introduced to keep school leaders up to date with key information, guidance and support as it was released, and to help them navigate the considerable communications from the Department for Education. Since March over 125 updates have been sent to Head Teachers and CEOs, School Business Managers and Governors. Engagement rates have been incredibly positive with an average open rate of 33.40% and an average click through rate of 6.23%. Feedback from school leaders on these communications have also been positive and it is intended to continue 'Information Updates' going forward.

Social Media

We have continued to grow the following across all platforms and brands, with the addition of two new Twitter channels for SNE Events and NNoSS this year.

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Platform	July 2019	July 2020
Schools North East Twitter	6515	7737
SNE Events Twitter	N/A	357
Schools North East Facebook	252	312
Schools North East LinkedIn	818	1139
Jobs in Schools North East Twitter	1757	1967
Jobs in Schools North East Facebook	2366	2799
Ednorth Twitter	191	4030
NNoSS Twitter	N/A	316

Definitive, Apolitical Voice of Schools

Policy

Manifesto for North East Education

The 2019 general election and the subsequent change in the political landscape both in Westminster and the North East made the previous academic year an important one for policy. In response to the calling of the general election, we put together our Manifesto for North East Education.

The manifesto was put together with input from our 1,150 member schools and key stakeholders from across the education sector. With this feedback we created 10 key recommendations which any party or policymaker wanting to take seriously the long-term challenges of education in the North East would have to take into account.

The Manifesto is a statement of intent and the foundation of our ever stronger focus on influencing the development of education policy, as it impacts on our region. In particular, the Manifesto challenges the pervasive narrative that the North East suffers an attainment gap, lagging behind in educational measures. This narrative is a myth which damages the work of our schools and the aspirations of our students. It fails to take into account the specific context of long term economic deprivation and geographical factors which affect our region.

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Manifesto for North East Education Roundtables

Following the publication of the Manifesto for North East Education, we sought to develop these recommendations and add further detail to them through a series of Head Teacher roundtables. We were able to hold the first of these in February before the coronavirus lockdown. This roundtable focussed on the context in which schools operate and the impact of long term deprivation on education outcomes. As well as roundtable discussions with Head Teachers and MAT CEOs from across the region, Professor Stephen Gorard from Durham University and Anthony Conlin from the School Data Company spoke to us about their work around disadvantage. More of these were planned throughout the Spring and Summer terms however were suspended due to the impact of Covid-19 on schools and the need for responses on more urgent issues affecting schools.

Support with the impact of Covid-19

From the beginning of the national lockdown and partial school closures, it was clear that schools were facing many challenges and uncertainties. We conducted surveys, and in-depth interviews to ascertain the extent of what schools were facing, from the challenges of providing home-learning for students without laptops, to the issues with the provision of Free School Meals and the Edenred system. These findings were developed into case studies which were then shared with organisations such as the Northern Powerhouse Partnership to lobby for support for schools.

One of the most significant issues that was highlighted by schools around Covid-19 as an area for concern was 2021 exam provision. As schools extended their openings in June to allow key cohorts back in for face to face teaching, staff were becoming increasingly concerned that they were unable to plan their teaching without details of the adjustments that would be made to exams in 2020/21. As such, we invited Ofqual to take part in a virtual roundtable at the beginning of July. Ofqual were represented by Julie Swan, the Executive Director for General Qualifications, and Richard Garrett, Director of Policy and Strategic Relationships for General Qualifications.

We also wrote to all North East MPs, urging them to support schools in gaining clarification around the return of schools in September, proposed summer 'catch up' provision and opening, assessment plans for 2021, and when Ofsted inspections will resume. We will now build on this work to ensure the voice of North East schools is heard and to push for the necessary support and guidance.

Civil Service Fast Stream secondment

Through the Charity Next Programme, Schools North East successfully applied for a Civil Service Fast Streamer to join its team on a six month contract and lead on data collection and research, strengthening the ability of Schools North East. The Fast Streamer joined the Schools North East

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team in March 2020, however due to Covid-19 and immense pressure on Civil Service staffing the secondment was withdrawn after two weeks.

Press

Press activity substantially increased throughout 2019/20. However, as well as more requests, the quality of requests has become greatly more relevant to the main foci of Schools North East's policy work. Schools North East is increasingly seen as the leading voice on education in the region, and throughout the coronavirus crisis Schools North East was routinely approached by local and national radio, print and TV to comment on education issues.

Key moments for press activity have included the release of the Manifesto for North East Education, which saw coverage on BBC Look North and ITV Tyne Tees, as well as coverage of the Schools North East response to Ofsted's 'Fight or flight? How 'stuck' schools are overcoming isolation' report, with national coverage on Channel 5 News, in The Times and Sec Ed Magazine. Equally, the announcement of the operational plan for Opportunity North East by Education Secretary Gavin Williamson, at our annual Academies Conference, received local and national press coverage from ITV, Schools Week, and TES. A key moment in press relations at the Academies Conference saw an ITV reporter refocus questions to Gavin Williamson around 'underperforming' North East schools after reading School's North East's briefing on the topic, illustrating our ability to influence a more nuanced conversation around education in the region.

During the coronavirus crisis we have been approached by local and national media with appearances from Schools North East and local Head Teachers on Channel 4's The Steph Show and ITV news, helping illustrate the hard work of school leaders and staff in the region and to promote a positive narrative around the profession in the North East.

Promoting a positive narrative

A key element of communications, to schools and with the media, has been to promote a positive narrative around North East schools and the education sector, challenging common misconceptions about schools in the region 'underperforming'. This began with the Manifesto for North East Education, and has continued throughout the year, with key moments including challenging the negative perspective of underperforming schools presented in Ofsted's 'Fight or flight? How 'stuck' schools are overcoming isolation' report.

Throughout the coronavirus crisis Schools North East has committed to showcasing the hard work and dedication of North East schools, with a key message that the profession has stepped up as a 'Fourth Emergency service' to not only provide home learning but supporting vulnerable families, and even feeding local students and communities. These stories were shared on the Schools North East Blog and within our newsletter, as well as shared with the press.

A Driver of Change

Joint work with other charities and stakeholders

Throughout this academic year, Schools North East has formed partnerships and worked with other organisations to support North East schools, staff and students through the specific challenges of this year. We have continued to work with SHINE Trust, to promote a positive narrative of North East schools and challenge misconceptions around the performance of schools in the North East. During lockdown we engaged with a number of organisations on a range of issues that were exposed by Covid-19. This included partnering with Children North East and the North East Child Poverty Commission to produce briefing papers for MPs on the impact of lockdown on disadvantaged children and providing case studies to support the work of the Northern Powerhouse Partnership around the digital divide in the region and lack of access to internet and devices. We also developed a connection with the Child Poverty Action Group through an expert column in the Schools North East newsletter, promoting 'The Cost of Learning in Lockdown' report and providing case studies around FSM provision and issues relating to this. Finally we also supported Children NE's campaign to support disadvantaged children in lockdown with donations of over £6,000 from our Commercial Supporters.

Boards

In this year we sat on the following boards:

- Tees Valley Combined Authority Careers Board
- Teesside Uni School of Social Science, Humanities, and Law Schools Advisory Board
- ESRC Newcastle Uni
- Opportunity North East
- ONE Transition Panel
- NE LEP SAP Board
- DfE Network Leaders

SCHOOLS NORTH EAST
(A company limited by guarantee)

TRUSTEES REPORT
For the year ended 31 July 2020

Schools North East Trading

The Trading Arm was incorporated on 15 August 2014 as a wholly owned subsidiary of Schools North East. It is a company limited by guarantee and was set up to fulfil the Trustees' obligation to use a trading subsidiary where there is any potential of substantial risk to Schools North East through any of its activities. Schools North East Trading Ltd (SNET) donates all of its profits to Schools North East the Charity and makes a very significant contribution to its continuing financial success.

The company provides a different, ethical model of support for our member schools; enabling them to access much needed training and support on an 'at cost' basis or free of charge, saving large sums against private providers' events.

This is the end of SNET's sixth full year of trading. The total amount of income fell slightly compared with the previous year due to the effect of the pandemic on the events programme and as such costs were also reduced. It is expected that this trend will continue into the next financial year. However, with increased school involvement with Schools North East and growing engagement in all areas of the organisation, along with accurate forecasting, it is hoped that this will be kept to a minimum.

FINANCIAL REVIEW

General financial situation

Schools North East remains financially viable with income from all sources maintaining a sustainable level despite the pandemic having had an impact since March 2020. The end of the financial year saw us almost on a par, financially, with the end of the previous financial year, although this was down on targets agreed by trustees due to the impact of canceled physical events since March. This impact of the pandemic saw us having to postpone the Patron's Dinner and the SBM Conference as physical events and also some smaller events and training, which we hope to catch up with next year. We are also very aware of the financial impact Covid has had on the commercial organisations who support us, and we will be monitoring this moving forward.

The majority of expenditure is related to staffing and infrastructure, to service the needs of members and the delivery of events, CPD, communications and other support. The organisation's non-staff overheads remain very low, as a result of our longstanding relationship and support from Northumbria University.

For 2019 - 20 Schools North East received £107,398 in gift-aid payments from Schools North East Trading Limited.

SCHOOLS NORTH EAST
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TRUSTEES REPORT
For the year ended 31 July 2020

In January Chris Zarraga was appointed Director following his appointment as Interim Director in September 2019. Chris has been with Schools North East since its inception.

At the beginning of this year we recruited a new Relationship Manager who joined us with a wealth of experience in the role having worked with schools and MATs nationally for 5 years. This appointment has strengthened the relationships with schools and stakeholders and this is evident in the retention of partner schools, engagement growth and new schools committing to the shared vision of Schools North East.

We had two staff members leave this year, both former apprentices who were moving on to the next stage of their careers. The Finance Assistant, who started as a Finance Apprentice in 2016, moved on to work for a large company as a trainee accountant, and the Admin Assistant who joined in 2018 as Admin Apprentice left to take on the role as Office Manager with a small local firm. Both were valued members of the team and we were delighted to see them take the next steps in their careers.

As a result, we appointed two new members of staff in March. A Finance Officer brings experience of working in a similar environment on a smaller scale and in the first four months has made a big impact in the finance department. We also employed a Business & Admin Apprentice, level 3. Both members of staff started with the organisation during the week lockdown was announced and have therefore had to adapt to starting a new job while working at home.

All the SNE/SNET team converted to home working in March as national lockdown was announced. Processes, procedures and systems were put in place to support this and it led to a very smooth transition with no break to the service we provide to our schools.

While our events continue to grow from strength to strength and act as a major source of raising funds for the charity lockdown meant we had to quickly convert our usual bustling conferences to online versions. Again, we reacted quickly to the changing environment and were able to respond to the needs of our audience breaking all records in terms of delegates at events.

We provided a range of free webinars aimed at bringing as much support as possible to school leaders, SBMs, governors and teachers. We also created a new 'school ticket' option for paid for events, enabling more than one delegate to either attend live or have recordings after the event. We were able to generate significant income through this to support the charity.

The partnership with SHINE commenced in September which includes a grant of £46,500 per year, for three years, to support the development of Ednorth and facilitate the school grant scheme. We employ one member of staff to coordinate this with support from the wider team.

We were commissioned by the Department for Education to facilitate a national network of special schools for school business professionals. This contract started in July, after being delayed from March, and is a 12 month contract worth £20,000 with the first payment of £5,000 coming in this financial year.

SCHOOLS NORTH EAST
(A company limited by guarantee)

TRUSTEES REPORT

For the year ended 31 July 2020

As a result of our continued commitment to schools in the region the decision was taken not to furlough staff during the first lockdown. We were successful in getting a £5,000 discretionary grant from Newcastle City Council but as we are not a frontline charity, we are not able to get further grants or covid support.

Schools North East employed five members of staff at the start of the 2019-20 financial year:

1. Director
2. Director of Operations
3. Ednorth Coordinator
4. Policy Officer
5. Marketing and Communications Officer

Schools North East Trading employed six members of staff at the start of the 2019-20 financial year:

1. Business Manager
2. Relationship Manager
3. Events Manager
4. Events Coordinator
5. Finance Assistant
6. Admin Assistant

Following restructure during the year the staffing changed to:

Schools North East, four members of staff:

1. Director
2. Ednorth Coordinator
3. Policy Officer
4. Marketing and Communications Officer

And, Schools North East Trading employed seven members of staff:

1. Deputy Director
2. Relationship Manager
3. Events Manager
4. Events Coordinator
5. Finance Officer
6. Business and Admin Apprentice
7. Admin Assistant (p/t)

SCHOOLS NORTH EAST
(A company limited by guarantee)

TRUSTEES REPORT
For the year ended 31 July 2020

Financial control systems

Schools North East has continued to develop more accurate and sophisticated approaches to financial and strategic planning. We can effectively monitor and forecast income and expenditure, manage cash-flow and maintain the financial health of the organisation. As we move through the pandemic trustees will continue to monitor the financial position of the charity.

Reserves policy

The Trustees reviewed the requirement for free reserves throughout 2019-20, which are those funds not invested in fixed assets or otherwise committed. Based on their reviews they continue to believe that Schools North East requires three months' worth of operating expenditure. At 31 July 2020, 'free' reserves amounted to £198K, which is well in excess of this amount.

Restricted funding

Schools North East received restricted funding in 2019 - 20 in respect of:

1. Shine Grant £46,500
2. Department for Education £5,000

GDPR

To ensure compliance with GDPR regulations, the Trustees agreed to a project plan and implementation schedule for GDPR compliance across Schools North East and Schools North East Trading, in May 2018, mapped against the ICO 'Preparing for GDPR - 12 Steps' guidance.

Schools North East continues to monitor GDPR compliance throughout the organisation and takes steps in all projects to ensure data is protected and staff understand their own responsibilities around this. Compliance is ensured through the following structure:

- Data Protection Officer: SNET Business Manager
- A GDPR Project Board: Lead Trustee, Director of Operations SNE; Business Manager SNET, Relationship Manager SNET.
- Expert advice: Ward Hadaway has been appointed to advise on policies and processes relating to GDPR compliance.

REFERENCE AND ADMINISTRATIVE DETAILS

Name: Schools North East

Charity Registration Number: 1129594

SCHOOLS NORTH EAST
(A company limited by guarantee)

TRUSTEES REPORT
For the year ended 31 July 2020

Company Registration Number: 06450637

Registered Office:

Room 115
Ellison Terrace
Northumbria University
Newcastle upon Tyne
NE1 8ST

Names of the charity Trustees at the date this report was approved:

Chair: John Hardy

Vice Chair: Dame Nicola Stephenson

Kieran McGrane

Kieran McLaughlin

David Baldwin

Monica Shepherd

Colin Lofthouse

Maura Regan

Iain Veitch

Director:

Mike Parker - Resigned Sep 2020

Chris Zarraga

Key management personnel:

Senior managers of Schools North East

Director Mike Parker – Resigned Sep 2020

Director of Operations & Development Chris Zarraga

Deputy Director Pauline Aitchison – Appointed April 2020

Bankers:

Barclays Bank
59 High Street
Gosforth
Newcastle upon Tyne
NE3 4AS

SCHOOLS NORTH EAST
(A company limited by guarantee)

TRUSTEES REPORT
For the year ended 31 July 2020

Independent Examiner:

Jim Dodds
Connected Voice Business Services Ltd
Higham House, Higham Place
Newcastle upon Tyne
NE3 8AF

STRUCTURE, GOVERNANCE AND MANAGEMENT

1. Governing document

Memorandum and Articles of Association adopted on 11 December 2007, amended by written resolution on 20 January 2009 and Special Resolution dated 28 March 2013.

The charity is controlled by its governing document, a deed of trust, and constituted as a limited company, limited by guarantee, as defined by the Companies Act 2006.

2. Recruitment and appointment of new trustees

Until otherwise determined by a General Meeting, the number of Trustees shall be a minimum of 7 and a maximum of 11. These changes were agreed at the Annual General Meeting on 1 October 2015 and recorded in the minutes.

To be appointed, the candidate must be a serving Head Teacher of a Partner School of the Charity. Trustees are appointed for a term of three years. All Trustees shall be eligible for reappointment subject to a maximum period of office of nine years. The Chairman is also appointed at the AGM, on a yearly basis.

3. Organisational structure

Schools North East is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association. Legal responsibility for the management of the Charity is vested in the Board of Trustees. Day to day management of the Charity is delegated to the Director.

The Advisory Board provides guidance on the Charity's activities, but it is not responsible for its governance. Board members are appointed by local Heads Associations on a representative geographical and sectoral basis. It includes 40 members appointed to represent primary and secondary networks in each of the 12 local authority areas of the North East and a member to represent the special school and independent school sectors respectively. In addition, the Board has co-opted further members to add specific expertise with reference to non-maintained special schools and middle schools. The Trustees are also members of the Advisory Board.

SCHOOLS NORTH EAST
(A company limited by guarantee)

TRUSTEES REPORT
For the year ended 31 July 2020

4. Pay policy for senior staff

The Directors consider the board of directors, who are the charity's Trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All Trustees give of their time freely and no Trustee received remuneration in the year.

The pay of the senior staff is reviewed annually and normally increased in accordance with inflation.

STATEMENT OF TRUSTEES

The Trustees (who are also Directors of Schools North East for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

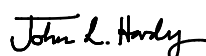
Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that 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 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 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 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.

This report was approved by the Trustees on: 26/04/21

And signed on their behalf by:



John Hardy
Chair of Schools North East

SCHOOLS NORTH EAST

A company limited by guarantee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

For the year ended 31 July 2020

I report on the financial statements of Schools North East for the year ended 31 July 2020, which are set out on pages 25 to 37

Respective responsibilities of trustees and examiner

The trustees (who are also directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for the year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a Fellow of the Association of Charity Independent Examiners.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act), and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

I have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Jim Dodds FCIE
Ellison Services Limited
Higham House
Higham Place
Newcastle upon Tyne
NE1 8AF
Date: 26/04/21



SCHOOLS NORTH EAST

A company limited by guarantee

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(INCLUDING THE INCOME & EXPENDITURE ACCOUNT)

For the year ended 31 July 2020

	Notes	General Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Income:					
Income from charitable activities:					
Fees and grants	7	110,256	51,250	161,506	126,572
Income from other trading activities:					
Trading subsidiary income	8	329,563	-	329,563	397,545
Total income		439,819	51,250	491,069	524,117
Expenditure					
Costs of raising funds:					
Trading subsidiary costs	10	222,165	-	222,165	264,731
Expenditure on charitable activities:					
Operation of the charity	11	157,845	51,250	209,095	238,934
Total expenditure		380,010	51,250	431,260	503,665
Net income/(expenditure) and net movement in funds for the year		59,809	-	59,809	20,452
Reconciliation of funds					
Total funds brought forward		202,651	-	202,651	182,199
Total funds carried forward		262,459	-	262,459	202,651

The Statement of Financial Activities includes all gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities

The notes on pages 29 to 37 form an integral part of these accounts.

SCHOOLS NORTH EAST

A company limited by guarantee

Company number 06450637

CONSOLIDATED BALANCE SHEET

As at 31 July 2020

	Notes	Group		Charity	
		2020 £	2019 £	2020 £	2019 £
<u>Fixed assets</u>					
Tangible assets	20	526	771	526	771
Total Fixed Assets		526	771	526	771
<u>Current assets</u>					
Debtors and prepayments	22	88,150	149,162	167,301	195,311
Cash at bank and in hand		254,046	154,944	118,042	17,823
Total Current Assets		342,196	304,106	285,343	213,134
<u>Liabilities</u>					
Creditors falling due within one year	23	(80,262)	(102,226)	(23,410)	(11,255)
Net Current Assets		261,934	201,880	261,933	201,880
Total assets less current liabilities		262,459	202,651	262,459	202,651
Net Assets		262,459	202,651	262,459	202,651
<u>The funds of the charity</u>					
Restricted income funds		-	-	-	-
General unrestricted income funds		262,459	202,651	262,459	202,651
Total charity funds		262,459	202,651	262,459	202,651

The company was entitled to an exemption from audit under s477 of the Companies Act 2006 relating to small companies

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act with the respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

The notes on pages 29 to 37 form an integral part of these accounts.

These financial statements were approved by the Board on:

26/04/21

and are signed on its behalf by: John Hardy
Chair



SCHOOLS NORTH EAST

A company limited by guarantee

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 July 2020

	2020	2019
	£	£
<u>Cash flows from operating activities</u>		
Net movement in funds	59,809	20,452
Depreciation	245	210
Deduct interest income shown in investing activities	-	-
Decrease in debtors	61,012	37,629
Decrease in creditors	(21,964)	(47,536)
<i>Net cash from operating activities</i>	99,102	10,754
<u>Cash flow from investing activities</u>		
Purchase of tangible fixed assets	-	(981)
Interest received	-	-
<i>Net cash used in investing activities</i>	-	(981)
 Increase (decrease) in cash and cash equivalents	 99,102	 9,774
Cash and cash equivalents at start of year	154,944	145,170
<i>Cash and cash equivalents at end of year</i>	254,046	154,944
 Cash and cash equivalents consist of:		
Cash at bank and in hand	254,046	154,944

The notes on pages 29 to 37 form an integral part of these accounts.

SCHOOLS NORTH EAST

A company limited by guarantee

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 July 2020

1 Accounting Policies

The principle accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

2 Basis of accounting

2.1 Basis of preparation

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The accounts 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) (effective 1 January 2015) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011

Schools North East meets the definition of a public benefit entity under FRS 102.

2.2 Preparation of the accounts on a going concern basis

The financial statements have been prepared on a going concern basis. In making their assessment the trustees have reviewed and considered relevant information, including their annual budget and future cash flows. In response to the COVID-19 pandemic, the trustees have revised their forecasts to take into account measures that they can take with the current resources available to mitigate the impact of the current adverse conditions. The trustees are of the view that the immediate future of the charity for the next 12 months is secure and that on this basis the charity is a going concern.

3 Income

3.1 Recognition of income

Income is recognised when the charity has entitlement to the resources, any performance conditions attached to the item(s) of income have been met, it is more likely than not that the resources will be received and the monetary value can be measured with sufficient reliability.

3.2 Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by FRS102 SORP or FRS102.

3.3 Grants and donations

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance or provision of other specified service is deferred until the criteria of income recognition are met.

3.4 Interest receivable

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

SCHOOLS NORTH EAST

A company limited by guarantee

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 July 2020

3.5 Income from membership subscriptions

Membership subscriptions received in the nature of a gift are recognised in donations and legacies

Membership subscriptions which gives a member the right to buy services or other benefits are recognised as income earned from the provision of goods and services as income from charitable activities.

3.6 Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charities' work or for specific projects being undertaken by the charity.

4 Expenditure and liabilities

4.1 Liability recognition

Liabilities are recognised when it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty

4.2 Charitable activities

Expenditure on charitable activities includes the costs of advancement of education in the North East and other activities undertaken to further the purposes of the charity and their associated support costs.

4.3 Governance and support costs

Support costs have been allocated between governance cost and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

4.4 Irrecoverable VAT

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

4.5 Creditors

The charity has creditors which are measured at settlement amounts less any trade discounts

4.6 Provisions for liabilities

A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date

5 Assets

5.1 Tangible fixed assets for use by the charity

Individual fixed assets costing £500 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Office and computer equipment

Straight line over four years

SCHOOLS NORTH EAST

A company limited by guarantee

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 July 2020

6 The summary financial performance of the charity alone is:

	Total 2020 £	Total 2019 £
Income	161,506	126,572
Gift aid from subsidiary company	107,398	132,814
	268,904	259,386
Expenditure on charitable activities	209,095	238,934
Net income/(expenditure)	59,809	20,452
Total funds brought forward	202,651	182,199
Total funds carried forward	262,459	202,651
Represented by:		
Restricted income funds	-	-
General unrestricted income funds	262,459	202,651
	262,459	202,651

Analysis of income

	General Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
7 Income from charitable activities				
School Membership Fees	76,718	-	76,718	74,538
Commercial membership fees	32,948	-	32,948	38,400
Advertising sponsorship	555	-	555	1,105
Other income	35	-	35	529
<u>Grants</u>				
Ednorth	-	46,250	46,250	-
Department for Education	-	5,000	5,000	-
Educational Endowment Foundation (EEF)	-	-	-	7,500
Royal Grammar School	-	-	-	4,500
	110,256	51,250	161,506	126,572
8 Income from other trading activities				
Trading subsidiary				
Conferences and events	329,563	-	329,563	397,545
	329,563	-	329,563	397,545

SCHOOLS NORTH EAST

A company limited by guarantee

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 July 2020

Analysis of income continued

Income was £501,448 (2019: £524,117) of which £450,238 was unrestricted or designated (2019: £512,117) and £51,250 was restricted (2019: £12,000).

Analysis of expenditure

	General Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
10 Costs of raising funds				
Trading subsidiary costs				
Staff costs	168,362	-	168,362	149,353
Direct costs	44,815	-	44,815	82,055
Overheads	8,988	-	8,988	33,323
	<u>222,165</u>	<u>-</u>	<u>222,165</u>	<u>264,731</u>
11 Charitable activities				
<u>Direct Costs</u>				
Advancement of education in the North East	144,750	51,250	196,000	234,329
Depreciation	245	-	245	210
<u>Governance costs</u>				
Trustees meeting costs and AGM	1,818	-	1,818	894
Legal fees	9,852	-	9,852	2,376
Independent examiners fees	1,180	-	1,180	1,125
	<u>157,845</u>	<u>51,250</u>	<u>209,095</u>	<u>238,934</u>

Expenditure on charitable activities and raising funds was £431,260 (2019: £503,665) of which £380,010 was unrestricted or designated (2019: £491,665) and £51,250 was restricted (2019: £12,000).

12 Net income/(expenditure) for the year

	2020 £	2019 £
This is stated after charging :		
Depreciation	245	210
Independent examiner's fees for reporting on the accounts	1,180	1,125
Other accountancy services provided by the examiner	3,421	2,929
	<u>4,846</u>	<u>4,264</u>

SCHOOLS NORTH EAST

A company limited by guarantee

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 July 2020

13 Analysis of staff costs, and the cost of key management personnel

	2020 £	2019 £
Gross wages, salaries and benefits in kind	300,830	288,191
Employer's National Insurance costs	27,091	24,217
Employer's pension costs	5,574	5,611
	333,495	318,019

One employee received remuneration above £60,000 (2019: One).

The key management personnel of the charity, comprise the Trustees, the Board, the Director and the Director of Operations and Developments. The total employee benefits of the key management personnel of the charity were £87,062 (2019: £132,393).

14 Staff Numbers

The average monthly head count was 11 staff (2019: 11 staff) and the average monthly number of full-time equivalent employees during the year were as follows:

	2020 Number	2019 Number
The parts of the charity in which the employee's work.		
Charitable activities	11.0	10.0
	11.0	10.0

15 Transactions with trustees

None of the trustees have been paid any remuneration or received any other benefits from employment with the charity or a related entity.

16 Trustees' expenses

No trustees' expenses have been incurred in the year (2019 none).

17 Transaction(s) with related parties

The following trustee's son is employed by the charity trading subsidiary on a sessional basis.

Name of the trustee	Relationship to charity	Description of transaction	2020 £	2019 £
Iain Veitch	Son of trustee	Employed by the charity trading subsidiary	5,087	3,180

The trustees have made reference to the charities conflict of interest policy to prevent a conflict of interest from affecting the relevant decision making processes. The legal authority is the charitable companies Articles.

SCHOOLS NORTH EAST

A company limited by guarantee

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 July 2020

18 Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The employer's pension costs represent contributions payable by the charity to the fund and amount to £5,574 (2019: £5,611). There was £nil outstanding as at 31 July 2020 (2019: £nil).

19 Corporation taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

20 Tangible fixed assets

	Charity		Group	
	Office equipment £	Total £	Equipment £	Total £
Cost				
Balance brought forward	4,396	4,396	-	4,396
Additions	-	-	-	-
Disposals	-	-	-	-
Balance carried forward	4,396	4,396	-	4,396
Depreciation				
Balance brought forward	3,625	3,625	-	3,625
Depreciation charge for year	245	245	-	245
Disposals	-	-	-	-
Balance carried forward	3,870	3,870	-	3,870
Net book value				
Brought forward	771	771	-	771
Carried forward	526	526	-	526

21 Fixed asset investment

Investment in subsidiary company

The charitable company owns a wholly-owned UK subsidiary company, Schools North East Trading Ltd. The principle activity of the company during the year was educational support services. A summary of the companies results and balance sheet for the year ended 31 July 2020 is as follows:

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For the year ended 31 July 2020

21 Fixed asset investment continued

The summary financial performance of the subsidiary alone is:

	2020 £	2019 £
Turnover	329,563	397,545
Cost of sales	(44,815)	(82,055)
Administration costs	(177,350)	(182,676)
Net profit	107,398	132,814
Amount gift aided to parent charity	(107,398)	(132,814)
Retained in subsidiary	-	-

The assets and liabilities were:

Current assets	216,785	268,076
Creditors amounts falling due within one year	(216,783)	(268,074)
Total net assets	2	2
Called up share capital	2	2
Profit and loss account	-	-
Total net assets	2	2

22 Debtors and prepayments (receivable within 1 year)

	Group		Charity	
	2020 £	2019 £	2020 £	2019 £
Trade debtors	113,390	181,777	46,119	50,822
Provision for doubtful debts	(26,539)	(32,615)	(5,639)	(8,115)
Other debtors	1,299	-	1,491	-
Amounts due from subsidiary undertakings	-	-	125,330	152,604
	88,150	149,162	167,301	195,311

23 Creditors and accruals (payable within 1 year)

	Group		Charity	
	2020 £	2019 £	2020 £	2019 £
Trade creditors	222	275	-	3
Taxation and social security	61,476	53,647	17,748	9,497
Deferred income	-	45,799	-	-
Accruals				
Preparation of statutory accounts	2,010	1,875	1,180	1,125
Other creditors	16,554	630	4,482	630
	80,262	102,226	23,410	11,255

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For the year ended 31 July 2020

24 Deferred income

	2020 £
Balance brought forward	45,799
Amount released to income earned from charitable activities	(45,799)
Amount deferred in year	-
Balance carried forward	-

25 Analysis of charitable funds

Analysis of movements in unrestricted funds

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
General unrestricted fund	202,651	439,819	(380,010)	-	262,459
Totals	202,651	439,819	(380,010)	-	262,459

Purpose of unrestricted funds

General unrestricted fund The 'free reserves' of the charity.

Analysis of movements in restricted funds

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Restricted funds					
Ednorth	-	46,250	(46,250)	-	-
Department for Education	-	5,000	(5,000)	-	-
Totals	-	51,250	(51,250)	-	-

Purpose of restricted funds

Restricted funds represent income resources used for a specific purpose within the charity as identified by the donor.

Ednorth	Contribution towards the Evidenced Based Education Programme.
Department for Education	To facilitate the new National Network of Special Schools

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 July 2020

26 Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Tangible fixed assets	526	-	526	771
Cash at bank and in hand	254,046	-	254,046	154,944
Other net current assets/(liabilities)	7,888	-	7,888	46,936
	262,459	-	262,459	202,651