

**DEANERY CHURCH OF ENGLAND PRIMARY SCHOOL
(A Company Limited by Guarantee)**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 AUGUST 2022

***Company Limited by Guarantee
Registration Number: 07667168
(England & Wales)***

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, TRUSTEES AND ADVISORS

Members	<p>Mrs J Bradbury, Deanery Synod (resigned as Member 14.11.22) Rev'd A Evans, Incumbent of Walmley Parish Church/Diocesan Board and Chair (appointed Chair 28.09.22) Representative of Birmingham Church of England Reverend Ann Richardson, Area Dean Mr A Hewston, Deanery Synod (appointed member 28.09.22) Mrs R Boon, Diocesan Board (resigned as member 28.09.22 and reappointed as member 14.11.2022)</p>
Trustees	<p>Mrs J Bradbury, (resigned as Chair on 22.09.21) Deanery Synod* Mr A Hewston, Deanery Synod Rev'd B Cook, Diocesan Board Rev'd A Evans, Incumbent of Walmley Parish Church* (Appointed Chair 28.09.22) Mrs R Boon, Chair, (appointed Chair 22.09.21 and resigned as Chair on 28.09.22) Diocesan Board* Mrs H Williams, Diocesan Board* Mrs J Lockett, Head Teacher / Principal* Mrs R Armstrong, Elected Parent Mr L Causer, Elected Parent (resigned 30 November 2021)* Mr M Mason, Elected Parent* Mrs N Allison, Staff (support)* Mrs E Hickling, Staff (teaching) Mrs P Wardropper, Staff (teaching)* Mrs B Mandley, PCC (appointed 1 December 2021) Mr D Taylor, Deanery Synod (appointed 1 December 2021) <i>* Member of the Finance and Operations Committee</i></p>
Company registration Number	07667168
Company Name	Deanery Church of England Primary School
Principal and registered office	<p>14 Fox Hollies Road Sutton Coldfield Birmingham, B76 2RD</p>
Company Secretary	Mrs N Allison
Senior management team	<p>Mrs J Lockett, Head Teacher Mrs K Cullen, Deputy Head Teacher Miss A Morris, Deputy Head Teacher Mrs N Allison, Business Manager Mrs J Griffiths, SENco and Inclusion Manager</p>
Independent auditor	<p>UHY Hacker Young (Birmingham) LLP 9-11 Vittoria Street Birmingham B1 3ND</p>
Bankers	<p>The Royal Bank of Scotland 747 Attercliffe Road Sheffield S9 3RF</p>

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period from 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a Trustees' report and a Directors' report, including a strategic report, under company law.

Deanery Church of England Primary School, a Church of England School, operates as an Academy Trust for pupils aged 3 to 11. The pupils are drawn from families living and worshipping within the 14 parish churches of the Old Deanery of Sutton Coldfield, and the local area in accordance with the published admission criteria. The school has a pupil capacity of 472 and currently has 441 (2021:459) pupils enrolled based on the 7 October 2022 Census.

STRUCTURE, GOVERNANCE AND MANAGEMENT**Constitution**

The Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing document of the Academy. The Trustees of Deanery Church of England Primary School are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Deanery Church of England Primary School.

Details of the Trustees who served during the year year, and to the date these accounts are approved are included in the Reference and administrative details on page 3.

Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

Trustees' indemnities

The Trustees benefit from indemnity insurance purchased by the Academy Trust to cover the liability of the Trustees arising from negligent acts, errors or commissions occurring whilst on Academy Trust business. The limit of this indemnity is £25,000,000.

Method of recruitment and appointment or election of Trustees

The Trust shall have the following Trustees, as set out in its Articles of Association and funding agreement:

- a) 11 church trustees - 5 appointed by the Diocesan Board of Education
4 appointed by the Deanery Synod
1 appointed by the PCC of St John the Evangelist, Walmley
The incumbent of the Ecclesiastical Parish of Walmley
- b) Up to 3 staff trustees - 2 teachers, 1 support staff
- c) Up to 3 parent trustees
- d) Up to 2 appointed trustees
- e) The Headteacher who is treated for all purposes as being an ex-officio Trustee

Trustees are appointed for a 4 year period, except that this time limit does not apply to the Headteacher. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

Policies adopted for the induction and training of Trustees

When appointing new Trustees, the Board of Trustees will give consideration to the skills and experience mix of existing Trustees in order to ensure the Board of Trustees has the necessary skills to contribute fully to the Academy Trust's ongoing development.

The training and induction provided for new Trustees will depend upon their existing experience but will always include a tour of the School and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents they will need to undertake their role as Trustees. All new Trustees also have the opportunity to undertake National Governor Association training and all Trustees receive regular National Governor Association updates. As there are normally only a few new Trustee appointments each year, induction tends to be done informally and is tailored specifically to the individual.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022 (cont'd)

The academy purchases support from School and Governor Support at Birmingham Local Authority. Support is also offered from The Church of England Birmingham who provide regular courses and training for Trustees. Courses and training are also offered by Birmingham Local Authority and other training providers and the Clerk informs each trustee about these. All newly appointed and elected trustees are invited to observe the working of all sub-committees before deciding which committee they could best serve.

Trustees are kept up to date with their legislative obligations and good practise through the above support services and by the Clerk to the Governing Body who attends regular courses. The implementation of The Trust Governor Portal has centralised all Governing Body documentation; giving all trustees a central point for training details, all Governing Body and Committee meeting documentation and all statutory documents.

Organisational structure

The Trustees are responsible for setting general policy, adopting an annual development plan and budget, approving the annual statutory accounts, monitoring the Academy Trust by the use of budgets and other data, and making the major decisions about the direction of the Academy Trust, capital expenditure and staff appointments.

The Board of Trustees normally meet four times each year. The Board of Trustees establishes an overall framework for the governance of the Academy Trust and determines membership, terms of reference and procedures of Committees of the Board of Trustees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings and through direct reporting from the elected Chair of each Committee. The Board of Trustees may from time to time establish working groups to perform specific tasks over a limited timescale.

There are 4 Committees of the Board of Trustees as follows:

- Finance and Operations Committee
- Standards Committee
- Admissions Committee
- Pay Committee

Each Committee has its own terms of reference detailing the responsibilities discharged to it.

The following decisions are reserved to the full Board of Trustees:

- to consider any proposals for changes to the status or constitution of the Academy Trust and its committee structure;
- to appoint or remove the Chair and / or Vice Chair; and
- to appoint and / or consider the performance management of the Headteacher.

The Trustees have devolved the day-to-day management of the Academy Trust to the Senior Leadership Team: ('SLT'), which is led by the Headteacher. The SLT comprises the Headteacher, Deputy Headteacher(s), Inclusion Manager and the School Business Manager. The Headteacher is the Academy Trust's Accounting Officer and has overall responsibility for the day to day financial management of the Academy Trust. The SLT implements the policies laid down by the Trustees and reports back to them on performance.

A Financial Consultant undertakes regular independent audits and reports to the Head Teacher and the Governing Body. The Governing Body approves the statutory accounts. The levels of authorisation of budget spend are detailed in the 'Structure of Financial Management of the Head Teacher' reviewed by the Governing Body annually.

A school evaluation is undertaken annually by the Senior Management Team and Governors who are chairs of the main sub-committees. This is fed into the School Improvement Plan (SIP) which is discussed with all staff. The SIP is then developed and links into the budgeting process. The SIP is reviewed by the Standards Committee and approved by the full Governing Body. The Standards Committee reviews the progress of the plan as part of their regular work and uses a self-evaluation process which is conducted at the beginning of each academic year.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022 (cont'd)**Arrangements for setting pay and remuneration of key management personnel**

The Trustees consider the Board of Trustees and the senior management team to comprise the key management personnel of the Academy in charge of directing and controlling, running and operating the Academy on a day to day basis. All Trustees give of their time freely and no Trustee received any remuneration in the current or prior year, other than those Trustees who are also employees of the Academy. Details of Trustees' remuneration and expenses are disclosed in note 10 of the financial statements.

The pay of the Headteacher is reviewed annually by the Board of Trustees based on the annual performance management process for the Headteacher and in line the Academy's pay and remuneration policy, which includes a set point scale for the role.

The pay of the other members of the senior management team is also reviewed annually the Pay Committee in line with the Academy's pay and remuneration policy and by reference to published pay scales for both teaching and administrative support staff and the annual performance management process adopted by the Academy.

Employee involvement and employment of the disabled

The Academy Trust's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests. Information about matters of concern to employees is given through information bulletins, reports and meetings which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the Academy Trust's performance.

During employment the Trust seeks to work with employees, taking into account their personal circumstances, to ensure appropriate training, development and advanced employment opportunities are available to them to reach their full potential.

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the Academy Trust continues and that the appropriate training is arranged. It is the Academy Trust's policy that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Trade Union Facility Time

There are no employees who elect to act as union officials during the course of their work and therefore there is no time spent on these activities.

OBJECTIVES AND ACTIVITIES**Objects and aims**

The principal objects of the Academy Trust, as set out in its Articles of Association, are to:

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

At the Deanery we believe that:

- everything we do is a faithful response to God's faithfulness, shown to us through Jesus Christ. Our vision is to reflect Gods Glory in every season of life, in all aspects, from the little things, to the big.
- God's heart is for his children to thrive in a happy, secure and caring environment at the Deanery. It is an essential part of our Christian ethos that we thank God for how he has demonstrated peace, love, faith, joy, grace and hope to us. We seek to reflect these core values throughout all areas of life in the school.
- education, strengthened by our faith, is the vehicle with which children can achieve their full potential.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022 (cont'd)**Objects and aims (cont'd)**

At the Deanery we aim to provide opportunities and experiences for everyone to learn and develop their social, creative and academic skills within a motivating and stimulating environment.

The aims of the Academy Trust during the year ended 31 August 2022 are summarised below:

- Foster an environment that is enriched spiritually, morally, ethically and socially through the Christian faith.
- Value each child as unique, regardless of faith, ability, gender or ethnicity.
- Nurture children to be polite, respectful and considerate towards one another. Offer a range of opportunities and experiences to develop their confidence, self-esteem and independence.
- Encourage each child to fulfil their individual potential within all areas of the curriculum.
- Promote knowledge and understanding through a secure, stimulating and enriched environment.
- Create a broad educational experience that is enriched both morally and spiritually through partnership with staff, governors, parents, the local community, parishes of the Deanery and Birmingham Diocese.
- To enable each child to value themselves and have aspirations for the future.
- To recognise everyone's place in the wider community.

Objectives, strategies and activities

The key priorities for the period are contained in the Academy Trust's Improvement Plan which is available from the Head Teacher. The key activities of the Academy Trust for the year ended 31 August 2022 were focused as follows:

- To close the education gap created under lockdown to ensure all children achieve their potential.
- To increase the opportunity and experiences of our youngest children to learn outside through a redesigned and updated outside environment. This will include a canopy or covered area outside reception class and year one, and associated learning spaces.
- To continue to review curriculum design and development to reflect the requirements of the new Ofsted framework to ensure our ambitious curriculum provides all children with the knowledge and skills they need to succeed.
- To prioritise reading across the curriculum

Public benefit

The Academy Trust aims to advance for the public benefit education in Sutton Coldfield and the surrounding area, offering a broad curriculum and an excellent education environment for its pupils. The Academy Trust also allows use of its facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of that community.

The Trustees confirm that they have complied with the duty in the Charities Act 2011 to have due regard to the Charity Commission general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy Trust's aims and objectives and in planning its future activities.

STRATEGIC REPORT**Achievements and performance****Key performance indicators**

The Academy Trust uses a number of benchmarks or performance indicators to evaluate its financial performance and drive budgetary control and monitoring.

A key financial performance indicator for the Trust is the level of reserves held at the balance sheet date and, in particular, the amount of unrestricted reserves plus restricted income reserves carried forward. At 31 August 2022, the balance of the unrestricted and restricted income reserves was £609,000 (2021: £510,000), which is after transfers of £119,000 to the restricted fixed asset fund to fund capital expenditure during the year. Further details on the level of reserves held by the Academy Trust are set out in the **Reserves** Policy section.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022 (cont'd)**Key performance indicators (cont'd)**

As the majority of the Academy Trust's funding is based on pupil numbers, pupil numbers is also a key performance indicator. As noted earlier in this report, pupil numbers at the most recent census were 441, which is a decrease of 4% from the previous year's census. This is wholly due to a fall in pupil numbers in our nursery, which is partly due to a declining birth rate and has been seen across the region.

Staffing costs are another key performance indicator for the Academy Trust and the percentage of total staff costs to total educational grant funding (being GAG funding plus other operating educational grants from the ESFA and/or Local Authority) for the year was 82% (2021:86%), while the percentage of staff costs to total costs (excluding depreciation and LGPS FRS102 pension cost charges) was 87% (2021:86%).

Going concern

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

Achievements and performance

The Academy Trust continues to evolve and to adapt to the ever-changing educational environment. The Trust is in its 11th year of operation since conversion to an Academy Trust. The total number of pupils in the year ended 31 August 2022 was 441 compared to 459 in the previous year. Our pre-school nursery has a capacity of 52 pupils however we currently have 21 pupils enrolled, compared to 39 in the previous year. This is partly due to a national declining birth rate.

The Academy Trust is committed to continual improvement that is achieved in a number of ways; including improvement planning, review meetings, continual professional development, lesson observations, performance management, self-evaluation, data analysis and action planning.

For the first time, since the end of the COVID-19 pandemic, statutory tests were undertaken across school. Data was submitted for Early Years Foundation Stage (EYFS), phonics at the end of year 1, and phonics checks were taken for children in year 2 at Christmas, due to the postponement of their tests the proceeding June. Statutory assessment tests (SATs) were also undertaken in year 2 and year 6, with the latter being externally marked, and the former receiving an external moderation by Birmingham City Council. The year 4 multiplication check was also conducted in June 2022.

The EYFS data showed that although 80% of children at Deanery achieved GLD (Good level of development), which is significantly higher than Birmingham average of 62.9%, the data reflects the impact of COVID-19 on our youngest children. The data represents the lowest GLD in a number of years. Our children took longer to settle into school and demonstrated less developed fine and gross motor skills. Our new outside environment provided many opportunities for rapid development in these areas however, some children still ended the year not able to achieve the writing aspect of the GLD and therefore did not achieve overall GLD in all areas. This academic year, there will be a continued focus on fine motor skill development to ensure all children reach the required standard.

The phonics check data in year 1 showed that 98% of children achieved the check. This is the highest result that we have achieved. This can be attributed to the focus on reading and phonics last academic year with all staff trained in delivering the phonics and early reading programme and a substantial financial investment in resources. Children in year 2 achieved 100% in their phonics check.

Data for KS1 SATs also reflected the impact of COVID-19 as children lacked the tenacity for sustained application to the tests. Although data was above national and Birmingham averages and those achieving at greater depth were significantly higher than national and Birmingham data in reading and maths, the current school improvement plan specifically targets individual year group gaps resulting from the 2 years impacted by the pandemic. Data for the year 4 multiplication check was very strong, with 58% of pupils achieving full marks, against 30% nationally with 93% scoring 16/25 or above, national data was 80%. Data for year 6 SATs was the strongest that Deanery have achieved with 92% achieving the expected standard in writing, reading and grammar punctuation and spelling, and 90% achieving the standard in maths. Data that is significantly higher than all benchmarks.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022 (cont'd)**Financial review****Reserves policy**

The Trustees review the reserves levels of the Academy Trust annually. This review encompasses the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees also take into consideration the future plans of the Academy Trust, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees have determined that the appropriate level of reserves should be approximately £200,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipts of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance, long term staff absences etc. These reserves will typically be held in a combination of restricted funds and unrestricted funds, with the unrestricted funds representing the Academy Trust's free reserves.

The Academy Trust's current level of reserves at 31 August 2022 is a surplus of £39,000 (2021: deficit of £2,395,000), of which £609,000 (2021: £510,000) is revenue reserves (that is, total funds less the amount held in the restricted fixed asset funds and restricted pension reserve funds) and of which £411,000 (2021:£347,000) is represented by free reserves.

Although the current level of revenue reserves is above the target level identified above, the Trustees expectation is that these reserves will be utilised over the next few years to fund the ongoing curriculum development, building repairs, staffing costs to retain key personnel, increasing energy costs and other increasing cost pressures likely in future years.

The value of the restricted fixed asset fund at 31 August 2022 is £215,000 (2021: £174,000), which is represented by the fixed assets that are used exclusively for providing education and associated support services to the pupils of the Trust. These funds can only be realised by disposing of the associated tangible fixed assets.

The pension reserve fund has a deficit balance at 31 August 2022 of £785,000, (2021:£3,079.00 deficit) which represents the deficit in the LGPS at the balance sheet date. The effect of the LGPS deficit is that Academy Trust is required to make additional pension contributions over a number of years in order to fund the deficit. These additional pension contributions will be funded from the Trust's annual recurring income, which may significantly impact its ability to continue to deliver its educational outcomes with the available public funding it receives. The Trustees have noted however that the Government has provided a guarantee that in the event of an Academy closure, any outstanding LGPS liabilities would be met by the Department for Education.

Investment policy

All funds surplus to immediate requirements are invested to optimal effect by the Academy Trust with the objective of ensuring maximum return on assets invested but with minimal risk. On a daily basis this is achieved by automatic transfer of surplus funds to an overnight deposit account with the Academy Trust's principal bankers.

Principal risks and uncertainties

The Trustees have assessed the major risks to which the Academy Trust is exposed, especially in the operational areas, such as in relation to teaching, health & safety, safeguarding and school trips, and in relation to the control of finances and strategic development of the Trust. They have introduced systems, including operational procedures and internal financial controls in order to minimise risk and have agreed a Risk Management Strategy and Risk Management Plan, which incorporates a Risk Register. Where significant financial risk still remains, the Trustees have ensured the Academy Trust has adequate insurance cover in place. The Risk Management Plan is constantly reviewed in light of any new information and formally reviewed annually.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022 (cont'd)

The principal risks and uncertainties facing the Academy Trust are as follows:

Educational

The continuing success of the Academy Trust is dependent on continuing to attract pupil applicants in sufficient numbers by maintaining the highest educational standards across all key stages. To mitigate this risk, the Trustees ensure that pupil success and achievement are closely monitored and reviewed, with corrective actions embedded at an early stage, and that relationships and partnerships with parents, the local community and other organisations and groups are maintained and are effective in producing a cohesive and supportive community.

Safeguarding and child protection

The Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline. Addendums have been added to policies in light of COVID requirements and shared with all stakeholders.

Financial

The Academy Trust has considerable reliance on continued Government funding through the ESFA and the Local Authority. In the year, approximately 98% of the Academy Trust's income was ultimately Government funded. Whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms, particularly in light continuing changes in to the National Funding Formula for schools.

Covid-19 had a significant impact on the Academy's ability to generate private income. As the pandemic ended, it was predicted that private income would return to previous levels, however during the year, income generation has been challenging and we have not seen the return to previous levels that we had hoped. For 2022-23, it is forecast that the ability to generate private income will remain a challenge as we see rising costs affecting families and businesses alike. The Trustees will continue to review the impact of financial health at each termly meeting.

Continuing increases in employment costs, pay increases that are not funded by ESFA, increasing pension costs in both the Teachers' Pension Scheme and the Local Government Pension Scheme, and rising premises costs will also continue to place significant pressure on the Trust's financial position and its ability to deliver balance budgets in the future.

The Trustees review the financial health of the Academy Trust formally every term, *reviewing* performance against budgets and receiving update reports from the Finance and Operations Committee. The Finance and Operations Committee also review the financial performance and position of the Academy Trust six times a year, reviewing the latest management accounts and reports from the Chief Financial Officer, while the Chair of Trustees also receives and reviews the monthly management accounts each month.

Staffing

The success of the Academy Trust is reliant on the quality of its staff so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning. Training under recent COVID restrictions has taken the form of online support. New staff continue to be supported by an experienced year group partner and phase leaders.

Failures in governance and/or management

The risk in this area arises from the potential failure to effectively manage the Academy Trust's finances, internal controls, compliance with regulations and legislation, statutory returns etc. The Trustees continue to review and ensure appropriate measures are in place to mitigate these risks, which includes those relating to fraud and mismanagement of funds.

Fraud and mismanagement of funds

The Academy Trust has engaged Chase House Education to perform a program of work aimed at checking and reviewing the financial systems and records as required by the Academy Trust Handbook. All finance staff receive training to keep them up to date with financial practice requirements and to develop their skills in this area.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022 (cont'd)*Fraud and mismanagement of funds (cont'd)*

At the balance sheet date, the Academy Trust had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on the Academy Trust's liquidity.

The Trustees recognise that the LGPS deficit represents a significant potential liability to the Academy Trust. However, as the Trustees consider the Academy Trust is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is minimised.

Financial review

The majority of the Academy Trust's income is received from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2022 and the associated expenditure of these grants are shown as restricted funds in the Statement of Financial Activities.

The Academy Trust also receives grants for fixed assets from the ESFA and other organisations or funders and these are shown as restricted fixed asset funds in the Statement of Financial Activities. The balance of the restricted fixed asset fund is reduced by the depreciation charges on the assets acquired using these funds.

For the year ended 31 August 2022, the Academy Trust's total income (excluding capital grants) was £2,355,000 (2021: £2,228,000) while the total expenditure (excluding depreciation, LGPS FRS102 pension cost charges and transfers to capital) was £2,152,000 (2021: £2,208,000), resulting in a net operating surplus for the year of £203,000 (2021: £20,000).

This net operating surplus has been achieved despite the general funding pressures, additional pressures from loss of income due to Covid-19 and increased staffing related costs incurred in the year. This has been due to the tight expenditure control implemented by management and the Trustees during the year. Covid-19 has had a significant impact on private income generated by the school, however the use of the Coronavirus Job Retention Scheme and savings in overheads resulting from the school closure have minimised this loss.

The balance of reserves at 31 August 2022, excluding the restricted fixed asset funds and LGPS liability fund was £609,000 (2021: £510,000).

Included within the Academy's balance sheet at year-end is a defined benefit pension scheme liability of £785,000 (2021: £3,079,000), which arises from the deficit in the Local Government Pension Scheme ("LGPS") that is attributable to the Academy. Further details regarding the deficit in the LGPS at 31 August 2022 are set out in note 25 to the financial statements.

The key financial policies reviewed and adopted during the period included the Financial Procedures Policies and Manual, which lays out the framework for the Academy Trust's financial management, including financial responsibilities of the Board of Trustees, Headteacher, managers, budget holders and other staff, as well as the delegated authorities for spending. The other financial policies reviewed and adopted during the period included Charges and Lettings, Asset Management and Insurance.

The Local Government Pension Scheme, a defined benefit scheme, is currently in deficit. The on-going contributions required, determined following a recent actuarial valuation, are considered to be manageable and within the academy's budget.

Fundraising

The Academy Trust raises funds for specific projects that will enhance the learning experience and environment for existing and future students, where funds cannot be accessed via existing channels such as government education funding. However, during the year ending 31 August 2022, the Academy Trust has not undertaken any material fundraising activities due to Covid-19.

Fundraising is primarily undertaken by staff or parents, no professional fundraisers or commercial participators work with the Trust currently. Fundraising is undertaken in line with the Fundraising Regulator's Code of Fundraising Practice and is monitored by the finance team.

The Academy Trust is mindful of the requirement to protect the public, particularly vulnerable people, from unreasonably intrusive or persistent fundraising approaches or undue pressure to donate. No complaints have been received in respect of fundraising activities, the general complaints policy of the trust would be applicable if so.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022 (cont'd)**Plans for future periods**

The Academy Trust strives to continually improve levels of attainment for all pupils, equipping them with the skills, knowledge and experiences necessary to flourish in their next stages of education. Supporting them to gain the qualifications, skills and character to follow their chosen pathway, whether it is into further and higher education or employment, as well as promoting the continued professional development of its staff.

The Academy Trust's plans for future periods are:

- To use teacher knowledge and assessments effectively to implement individual and cohort specific programs for all children to achieve their full potential.
- To ensure teachers have good knowledge across the curriculum and effectively champion outcomes of professional development
- To continue to prioritise reading
- To continue to evolve a Deanery curriculum, tailor learning opportunities for our children and re-introduce enrichment to enhance the curriculum
- To continue to review the whole school behaviour principles and policy
- To deepen staff understanding of mental health and wellbeing in children
- To build a team of expert teachers with effective CPD, empowering subject leaders
- To continue to ensure the effectiveness of the early years' provision

Funds held as custodian on behalf of others


The Academy Trust and its Trustees do not act as Custodian Trustees of any other charity.

Disclosure of information to auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- that Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 7 December 2022 and signed on its behalf by:


.....

Rev'd A Evans
Chair

7 December 2022

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Deanery Church Of England Primary School has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The board of Trustees has delegated the day-to-day responsibility to the Head Teacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Deanery Church Of England Primary School and the Secretary of State for Education.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of Trustees has formally met 4 times during the year.

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

** denotes member of finance committee*

Trustee	Meetings attended	Out of a possible
Mrs J Bradbury (Chair), (resigned as Chair on 22.09.21) Deanery Synod*	4	4
Mr A Hewston, Deanery Synod	1	4
Rev'd B Cook, Diocesan Board	4	4
Rev'd A Evans, Incumbent of Walmley Parish Church* Chair from 28.09.22	3	4
Mrs R Boon, Chair, (appointed Chair 22.09.21) Diocesan Board*	4	4
Mrs H Williams, Diocesan Board*	2	4
Mrs J Luckett, Head Teacher/Principal*	4	4
Mrs R Armstrong, Elected Parent	4	4
Mr L Causer, Elected Parent (resigned 30 November 2021)*	1	1
Mr M Mason, Elected Parent*	3	4
Mrs N Allison, Staff (support)*	3	4
Mrs E Hickling, Staff (teaching)	3	4
Mrs P Wardropper, Staff (teaching)*	4	4
Mrs B Mandley, PCC (appointed 1 December 2021)	3	3
Mr D.Taylor, Deanery Synod (appointed 1 December 2021)	3	3

Conflicts of interest

All Trustees and staff complete a pecuniary interest form annual; this is then used to complete a business register of interests. This register is used as a working document to ensure that we manage any conflicts of interest and also to ensure that Deanery does not transact with any related parties. Deanery CE Primary School has made a decision not to undertake any business with associated parties.

Governance Reviews

The full board met four times in the year and this coupled with the three finance meetings gives sufficient oversight.

The Finance and Operations Committee is a sub-committee of the Governing Body and it's purpose is to monitor progress and evaluate the effectiveness of the priorities allocated to the committee within the School Improvement Plan. This includes the review of the financial health of the Academy Trust, monitoring performance against budgets on a termly basis. The Finance and Operations Committee also review the management accounts six times a year and the Chair of the Governing Body reviews the management accounts every month to ensure effective oversight of funds.

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2022**Governance Reviews**

The Finance and Operations Committee has met formally 3 times during the year.

Attendance during the year at meetings of the Finance and Operations Committee was as follows:

Trustee	Meetings attended	Out of a possible
Mrs N Allison	3	3
Mrs R Boon	3	3
Mrs J Bradbury (Chair)	3	3
Mr L Causer (resigned 30 November 2021)	-	-
Mr A Evans	2	2
Mrs J Lockett	3	3
Mr M Mason	2	3
Mrs P Wardropper	3	3
Mrs H Williams	3	3

Review of value for money

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

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

- Ensuring strong financial management and efficient staffing resourcing, to deliver consistently high levels of educational outcomes for our pupils. The staffing structure is regularly reviewed and contracts are managed to ensure that resources are spent as efficiently as possible. Including reviewing the staffing structure at each change of personnel to see if savings can be made.
- Review of key financial policies and reserves to ensure that money is spent only on critical projects.
- Achieving economies of scale in purchasing through the LTE partnership, driving down the prices of contracts through group buying power.
- Seeking best price on all contracts where possible.
- The school benefits from the provision of an external qualified Internal Control Auditor from DRB Schools and Academies Services Ltd who reviews key financial processes, policies, systems and procedures on a termly basis reporting to the Trustees.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Deanery Church Of England Primary School for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of Trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2022**The risk and control framework**

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

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

The Governing Body has considered the need for a specific internal audit function and has decided to appoint DRB Schools and Academies Services to undertake internal audit services.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems.

In the year the main checks carried out were a review of:

- income;
- expenditure;
- capital expenditure;
- accounting systems;

No significant weaknesses were noted and the financial responsibilities of the Governing Body are being discharged.

On a termly basis, the appointed internal auditor reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

Review of effectiveness

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

- the work of the internal auditor;
- the work of the external auditor;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework;

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the finance committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 7 December 2022 and signed on their behalf by:



Rev'd A Evans - Chair
7 December 2022



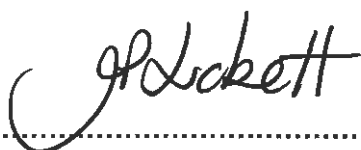
Mrs J Lockett - Accounting Officer
7 December 2022

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2022

As accounting officer of Deanery Church of England Primary School I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academy Trust Handbook 2021.

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



.....
Mrs J Luckett - Accounting Officer

7 December 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2022

The trustees (who act as trustees of Deanery Church of England Primary School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards FRS102 have been followed, subject to any
- material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 7 December 2022 and signed on its behalf by:



.....
Rev'd A Evans
Chair

7 December 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEANERY CHURCH OF ENGLAND PRIMARY SCHOOL FOR THE YEAR ENDED 31 AUGUST 2022**Opinion**

We have audited the financial statements of Deanery Church of England Primary School (the charitable company) for the year ended 31 August 2022 which comprise Statement of Financial Activities, the Balance Sheet and the Statement of Cash Flows and notes to the financial statement, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Deanery Church of England Primary School's affairs as at 31 August 2022 and of its incoming resources and application of resources, including income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022

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

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the financial statements. 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.

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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEANERY CHURCH OF ENGLAND PRIMARY SCHOOL FOR THE YEAR ENDED 31 AUGUST 2022 (cont'd)**Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report (incorporating the strategic report, and the trustees report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 17, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Deanery Church of England Primary School's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Deanery Church of England Primary School and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the Deanery Church of England Primary School, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Charities SORP 2019 and Academies Accounts Direction 2021 and 2022. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue and the Deanery Church of England Primary School's net income for the year.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEANERY CHURCH OF ENGLAND PRIMARY SCHOOL FOR THE YEAR ENDED 31 AUGUST 2022 (cont'd)

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence with and reports to the regulators, including correspondence with the Education and Skills Funding Agency review of correspondence with legal advisors, enquiries of management and review of internal audit reports in so far as they related to the financial statements, and testing of journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the academy trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the academy trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the academy trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEANERY CHURCH OF ENGLAND
PRIMARY SCHOOL FOR THE YEAR ENDED 31 AUGUST 2022 (cont'd)**

Use of our report

This report is made solely to the Deanery Church of England Primary School'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 Deanery Church of England Primary School'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 Deanery Church of England Primary School's and the Deanery Church of England Primary School's members as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Malcolm Winston
Senior Statutory Auditor
UHY Hacker Young (Birmingham) LLP, Statutory Auditor
9-11 Vittoria Street
Birmingham
B1 3ND

7 December 2022

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO DEANERY CHURCH OF ENGLAND PRIMARY SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY FOR THE YEAR ENDED 31 AUGUST 2022

In accordance with the terms of our engagement letter dated 30 June 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2021 to 2022 we have carried out an engagement to obtain limited assurance about whether, the expenditure disbursed and income received by the academy trust during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Deanery Church of England Primary School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Deanery Church of England Primary School's funding agreement with the Secretary of State for Education dated 1 August 2011 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies: Accounts Direction 2021 to 2022. We report to you whether, anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO DEANERY CHURCH OF ENGLAND PRIMARY SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY FOR THE YEAR ENDED 31 AUGUST 2022 (cont'd)

Approach (cont'd)

Summary of the work undertaken was as follows:

- Analytical review of the academy trust's general activities are within the academy trusts framework of authorities;
- Consideration of the evidence supporting the accounting officers statement on regularity, propriety and compliance;
- Review of the general control environment for the academy trust on financial statements and on regularity;
- Sample testing of expenditure transactions to ensure the activity is permissible within the academy trust's framework of authority;
- Confirmation that a sample of expenditure has been appropriately authorised in accordance with the academy trust's delegated authorities;
- Formal representations obtained from the board of trustees and the accounting officer acknowledging the responsibilities including disclosing all non compliance with laws and regulations specific to the authorising framework;
- Confirmation that any extra contractual payments such as severance and compensation payments have been appropriately authorised;
- Review of credit card expenditure for any indication of personal use by staff, principal or trustees;
- Review of specific terms of grant funding within the funding agreement;
- Review of related party transactions for connections with the principal/finance manager or trustees;
- Review of income received in accordance with the activities permitted within the academy trust's charitable objectives.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

UHY Hacker Young (Birmingham) LLP

Reporting Accountant
UHY Hacker Young (Birmingham) LLP
9-11 Vittoria Street
Birmingham
B1 3ND

7 December 2022

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2022
(Including Statement of Total Recognised Gains and Losses)

	Note	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total 2022 £'000	Total 2021 £'000
Income from:						
Donations and capital grants	3	9	13	31	53	75
Charitable activities:						
- Funding for the academy trust's educational operations	4	217	2,071	-	2,288	2,198
Other trading activities	5	45	-	-	45	19
Investment income		-	-	-	-	-
Total		271	2,084	31	2,386	2,292
Expenditure on:						
Raising funds		-	-	-	-	-
Charitable activities:						
- Academy trust's educational operations	7	88	2,286	94	2,468	2,440
Total		88	2,286	94	2,468	2,440
Net income/(expenditure)		183	(202)	(63)	(82)	(148)
Transfers between funds	15	(119)	15	104	-	-
Other recognised gains and losses						
Actuarial gain/(loss) on defined benefit pension schemes	25	-	2,516	-	2,516	(303)
Net movement in funds		64	2,329	41	2,434	(451)
Reconciliation of funds						
Total funds brought forward	15	347	(2,916)	174	(2,395)	(1,944)
Total funds carried forward	15	411	(587)	215	39	(2,395)

All of the academy trust's activities derive from acquisitions and continuing operations during the above two financial periods.

BALANCE SHEET AS AT 31 AUGUST 2022

	Note	2022 £'000	2021 £'000
Fixed assets			
Tangible assets	12	<u>215</u>	<u>174</u>
		<u>215</u>	<u>174</u>
Current assets			
Debtors	13	63	133
Cash at bank and in hand		<u>726</u>	<u>543</u>
		<u>789</u>	<u>676</u>
Current liabilities			
Creditors: Amounts falling due within one year	14	<u>(180)</u>	<u>(166)</u>
Net current assets		609	510
Total assets less current liabilities		824	684
Net assets excluding pension liability		<u>824</u>	<u>684</u>
Defined benefit pension scheme liability	25	(785)	(3,079)
Total Net Assets		<u><u>39</u></u>	<u><u>(2,395)</u></u>
Funds of the Academy:			
Restricted funds			
- Fixed asset fund	15	215	174
- Restricted income fund	15	198	163
- Pension reserve	15	(785)	(3,079)
Total restricted funds		<u>(372)</u>	<u>(2,742)</u>
Unrestricted income fund		<u>411</u>	<u>347</u>
Total unrestricted funds		<u>411</u>	<u>(2,395)</u>
Total Funds		<u><u>39</u></u>	<u><u>(2,395)</u></u>

The financial statements on pages 24 to 45 were approved by the trustees and authorised for issue on 7 December 2022 and signed on their behalf by:



 Rev'd A Evans - Chair
 7 December 2022

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022 £'000	2021 £'000
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	19	287	(21)
Cash flows from investing activities	20	(104)	(71)
Cash flows from financing activities	21	-	-
Change in cash and cash equivalents in the reporting period		<u>183</u>	<u>(92)</u>
Cash and cash equivalents at 1 September	22	543	635
Cash and cash equivalents at 31 August	22	<u>726</u>	<u>543</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022**1 Statement of Accounting Policies**

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

Basis of Preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities : Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Deanery Church of England Primary School meets the definition of a public benefit entity under FRS 102.

Going Concern

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

Income

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

• Grants

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

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

• Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where receipt is probable and it can be measured reliably.

• Donations

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured.

• Other income

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022 (cont'd)

- **Donated goods, facilities and services**

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'.

Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

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

Expenditure

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

- **Expenditure on Raising Funds**

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

- **Governance costs**

These include the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

- **Charitable Activities**

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

All resources expended are inclusive of irrecoverable VAT.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022 (cont'd)**Tangible Fixed Assets**

Assets costing **£500** or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Long term leasehold property	5 years straight line
Furniture & equipment	3 years straight line

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

Where academies are operating under a licence to occupy, the land and buildings are not recognised as fixed assets in the financial statements.

The Trustees have chosen not to include the building valuations on the Balance Sheet. Deanery Church of England Primary School does not own any of the school sites. The school sites are owned by The Birmingham Diocesan Trustees and are made available to the school by a Church Supplemental Agreement. The site trustees can withdraw the school site at any time on two years notice. Deanery Church of England Primary School cannot sell the 'asset' or mortgage the asset as security for any borrowing. The economic benefit to Deanery Church of England Primary School is that it does have the use of the site for nil consideration, but only for the use as a church school. Therefore, Deanery Church of England Primary School has concluded not to include the value of the sites and buildings they use. The risks and rewards of ownership have not been passed to Deanery Church of England Primary School and therefore no value has been attributed to the land and buildings at 31 August 2022. The Academy also holds a lease of land from Birmingham City Council for a period of 125 years from 1 April 2015 at a peppercorn rent. However, this lease can be terminated 90 working days after the Funding Agreement termination date.

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022 (cont'd)**Leased assets**

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

Financial Instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instrument, and are measured at amortised cost as detailed in note 14. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Taxation

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

Pensions Benefits

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

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

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

Fund Accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees. Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022 (cont'd)**Critical accounting estimates and areas of judgement**

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

The critical judgements that the Trustees have made in the process of applying the Academy Trust's accounting policies that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below:

The critical areas of judgement are accounting for government grants, accounting for the write down of assets through depreciation and accounting for the pension liability. Government grants are accounted for as restricted funds. The pension liability is assessed by an independent actuarial valuation. Depreciation rates are based on the expected life of the asset.

In assessing whether there have been any indicators of impairment assets, the Trustees have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. There have been no indicators of impairments identified during the current financial year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022 (cont'd)

2 GENERAL ANNUAL GRANT (GAG)

Under the funding agreement with the Secretary of State the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2022 (See note 15).

3 DONATIONS AND CAPITAL GRANTS

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2022 £'000	Total 2021 £'000
Devolved formula capital grant	-	13	13	9
Other LA capital grants	-	-	-	55
Voluntary donations	9	31	40	11
	<u>9</u>	<u>44</u>	<u>53</u>	<u>75</u>

The income from donations and capital grants was £53,000 (2021 : £75,000) of which £9,000 (2021 : £11,000) was unrestricted, £13,000 restricted (2021 : £Nil restricted) and £31,000 (2021 : £64,000) restricted fixed assets.

4 FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2022 £'000	Total 2021 £'000
DfE/ESFA grants				
General annual grant (GAG) (note 2)	-	1,751	1,751	1,576
Other DfE/ESFA grants				
Pupil premium grant	-	44	44	47
PE & Sports grant ESFA	-	20	20	-
Teachers pay grant	-	2	2	84
Teachers pension grant	-	5	5	-
Supplementary grant	-	20	20	-
Universal Infant Free School Meals	-	74	74	72
Rates Relief	-	5	5	34
Other DfE/ESFA grants	-	3	3	-
	<u>-</u>	<u>1,924</u>	<u>1,924</u>	<u>1,813</u>
Other Government grants				
Special educational needs grant	-	-	-	-
Local authority grants	-	91	91	111
	<u>-</u>	<u>91</u>	<u>91</u>	<u>111</u>
COVID-19 DfE/ESFA additional funding				
Catch up premium	-	-	-	34
Recovery premium grant	-	4	4	-
	<u>-</u>	<u>4</u>	<u>4</u>	<u>34</u>
COVID-19 Non DfE/ESFA additional funding				
Coronavirus Job Retention Scheme grant	-	1	1	33
	<u>-</u>	<u>1</u>	<u>1</u>	<u>33</u>
Other income from the academy trust's educational operations				
Pupil catering income	-	51	51	36
School trip income	-	-	-	2
Other income	217	-	217	169
	<u>217</u>	<u>51</u>	<u>268</u>	<u>207</u>
	<u>217</u>	<u>2,071</u>	<u>2,288</u>	<u>2,198</u>

The income from funding for the academy trust's education operations was £2,288,000 (2021: £2,198,000) of which £217,000 (2021: £207,000) was unrestricted and £2,071,000 (2021: £1,991,000) restricted.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022 (cont'd)

5 OTHER TRADING ACTIVITIES	Unrestricted	Restricted	Total	Total
	Funds	Funds	2022	2021
	£'000	£'000	£'000	£'000
Lettings Income	45	-	45	19
	<u>45</u>	<u>-</u>	<u>45</u>	<u>19</u>

The income from the academy trusts' other trading activities was unrestricted for both 2022 and 2021.

6 INVESTMENT INCOME	Unrestricted	Restricted	Total	Total
	Funds	Funds	2022	2021
	£'000	£'000	£'000	£'000
Bank interest received	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

7 EXPENDITURE	Staff Costs £'000	Non Pay Expenditure		Total 2022 £'000	Total 2021 £'000
		Premises £'000	Other Costs £'000		
		Expenditure on raising funds			
- Direct costs	-	-	-	-	-
- Allocated support costs	-	-	-	-	-
Academy's educational operations					
- Direct costs	1,477	-	85	1,562	1,544
- Allocated support costs	626	172	108	906	896
	<u>2,103</u>	<u>172</u>	<u>193</u>	<u>2,468</u>	<u>2,440</u>
	<u>2,103</u>	<u>172</u>	<u>193</u>	<u>2,468</u>	<u>2,440</u>

The expenditure was £2,468,000 (2021: £2,440,000) of which £88,000 (2021: £201,000) was unrestricted, £2,286,000 (2021: £2,172,000) restricted and £94,000 (2021: £67,000) restricted fixed assets.

Net income/(expenditure) for the year includes:	Total	Total
	2022	2021
	£'000	£'000
Operating leases rentals	2	2
Depreciation	94	67
Fees payable to auditor for:		
- Audit	7	8
- Other Services	2	2
	<u>2</u>	<u>2</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022 (cont'd)

8 CHARITABLE ACTIVITIES

	Total 2022 £'000	Total 2021 £'000
Direct costs - educational operations	1,562	1,544
Support costs - educational operations	906	896
	<u>2,468</u>	<u>2,440</u>

Analysis of Support Costs

Support staff costs	626	648
Depreciation	94	67
Technology costs	19	30
Premises costs	78	61
Other support costs	64	80
Governance	25	10
	<u>906</u>	<u>896</u>

9 STAFF**a Staff costs**

	2022 £'000	2021 £'000
Staff costs during the year were:		
Wages and salaries	1,351	1,410
Social security costs	120	121
Pension costs	572	498
	<u>2,043</u>	<u>2,029</u>
Agency staff costs	60	9
Staff restructuring costs	-	16
	<u>2,103</u>	<u>2,054</u>

b Staff severance contractual payments

The academy trust paid 3 severance payments in the year, disclosed in the following bands:

	2022	2021
0 - £25,000	-	3
£25,001 - £50,000	-	-
£50,001 - £100,000	-	-
£100,001 - £150,000	-	-
£150,000+	-	-
	<u>-</u>	<u>-</u>

c Special staff severance non contractual payments

Included in staff restructuring costs are special severance payments totalling £Nil (2021 : £Nil).

d Staff numbers

The average number of persons (including senior management team) employed by the Academy during the year ended 31 August 2022 expressed as whole persons was as follows:

	2022 No.	2021 No.
Teachers	18	20
Administration and support	55	61
Management	4	4
	<u>77</u>	<u>85</u>

e Higher paid staff

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

	No	No
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-
	<u>1</u>	<u>-</u>

f Key management personnel

The key management of the academy trust comprise the trustees and the senior management team as listed on page 3. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £374,802 (2021 : £364,822).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022 (cont'd)

10 RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES

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

	2022	2021
Mrs J Luckett (Head Teacher & Staff Trustee)		
Remuneration	£80,000 - £85,000	£75,000 - £80,000
Employer's pension contributions	£15,000 - £20,000	£15,000 - £20,000
Mrs E Hickling (Staff Trustee)		
Remuneration	£25,000 - £30,000	£10,000 - £15,000
Employer's pension contributions	£5,000 - £10,000	£0 - £5,000
Mrs N Allison (Staff Trustee)		
Remuneration	£40,000 - £45,000	£40,000 - £45,000
Employer's pension contributions	£5,000 - £10,000	£10,000 - £15,000
Mrs P Wardropper (Staff Trustee)		
Remuneration	£40,000 - £45,000	£35,000 - £40,000
Employer's pension contributions	£5,000 - £10,000	£5,000 - £10,000

During the year ended 31 August 2022 payments made to Trustees for travel and subsistence totalled £Nil (2021: £Nil).

Other related party transactions including trustees are set out in note 26.

11 TRUSTEES' AND OFFICERS INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim. The cost of this insurance is included in the total insurance cost of £9,112 (2021: £8,929).

12 TANGIBLE FIXED ASSETS

Cost	Leasehold		Total
	Property Improvements	Computer Equipment	
	£'000	£'000	£'000
At 1 September 2021	616	251	868
Additions	124	11	135
Disposals	(2)	(9)	(11)
At 31 August 2022	<u>738</u>	<u>253</u>	<u>992</u>
Depreciation			
At 1 September 2021	457	236	693
Charged in year	81	13	94
Disposals	(2)	(9)	(11)
At 31 August 2022	<u>536</u>	<u>240</u>	<u>776</u>
Net book value			
At 31 August 2022	<u>202</u>	<u>13</u>	<u>215</u>
At 31 August 2021	<u>159</u>	<u>15</u>	<u>174</u>

The Birmingham Diocesan Trustees Registered have agreed to make their land available for use by Deanery Church of England Primary School during the continuance of the Funding Agreement between the Secretary of State for Education and Deanery Church of England Primary School subject to the right by the Birmingham Diocesan Trustees Registered to give not less than 2 years written notice to terminate the agreement, such notice to expire on 31 August 2013 or any subsequent anniversary of that date. The Academy holds a lease of land from Birmingham City Council for a period of 125 years from 1 April 2015 at a peppercorn rent. However, this lease can be terminated 90 working days after the Funding Agreement termination date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022 (cont'd)

	2022	2021
	£'000	£'000
13 DEBTORS		
Trade Debtors	2	-
VAT recoverable	9	21
Prepayments and accrued income	52	112
	<u>63</u>	<u>133</u>
14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	2022	2021
	£'000	£'000
Trade creditors	39	36
Taxation and social security	28	28
Accruals and deferred income	110	102
Other creditors	3	-
	<u>180</u>	<u>166</u>
Deferred income at 1 September	56	84
Resources deferred in the year	40	56
Amounts released from previous years	(56)	(84)
Deferred income at 31 August	<u>40</u>	<u>56</u>

At the balance sheet date the academy trust was holding funds received in advance of £39,643 (2021:£56,130) for 2022/23 from the ESFA in relation to rates relief £Nil (2021: £4,988), universal infant school meals, £25,554 (2021: £43,009) capital grant income £Nil (2021: £5,286) and other £14,089 (2021: £2,847).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022 (cont'd)

15 FUNDS

	Balance at 1 September 2021 £'000	Incoming Resources Resources £'000	Resources Expended £'000	Gains, Losses & Transfers £'000	Balance at 31 August 2022 £'000
Restricted general funds					
General annual grant (GAG) (note i)	8	1,751	(1,741)	15	33
Rates Relief (note vii)	-	5	(5)	-	-
Pupil premium grant (note ii)	-	44	(44)	-	-
PE and sports grant (note iii)	-	20	(20)	-	-
Teachers pay grant (note iv)	-	1	(1)	-	-
Teachers pension grant (note v)	-	6	(6)	-	-
Infant Free School Meals (note vi)	-	74	(74)	-	-
SEN grant LA (note viii)	-	91	(91)	-	-
Covid catch up premium (note ix)	-	-	-	-	-
Covid emergency support (note x)	-	1	(1)	-	-
Recovery Premium	-	4	(4)	-	-
Supplementary Grant	-	20	(20)	-	-
Catering income	-	51	(51)	-	-
Other ESFA Grants	-	3	(3)	-	-
School fund	155	13	(3)	-	165
	163	2,084	(2,064)	15	198
Restricted fixed asset funds					
Devolved formula capital grant (note xi)	174	14	(68)	-	120
Capital expenditure from GAG	-	-	(22)	104	82
Fixed asset donation	-	17	(4)	-	13
	174	31	(94)	104	215
Restricted pension scheme liability					
Pension reserve (note xii)	(3,079)	-	(222)	2,516	(785)
	(3,079)	-	(222)	2,516	(785)
Total restricted funds	(2,742)	2,115	(2,380)	2,635	(372)
Unrestricted funds					
Unrestricted funds	347	271	(88)	(119)	411
Total unrestricted funds	347	271	(88)	(119)	411
Total funds	(2,395)	2,386	(2,468)	2,516	39

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022 (cont'd)**15 FUNDS (cont'd)****Notes**

- i) The General Annual Grant (GAG) represents funding received from the ESFA during the period in order to fund the continuing activities of the academy trust. £1,751,000 has been received during the period, of which £1,741,000 has been identified as subsequent expenditure. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2022.
- ii) The Pupil Premium grant represents funding received from the ESFA for the purpose of improving education outcomes for disadvantaged pupils at the academy.
- iii) The PE and Sports Grant represents funding received from the ESFA to fund additional and sustainable improvements to the provision of PE and sport, and to encourage the development of healthy, active lifestyles.
- iv) The Teachers Pension Grant represents funding from the ESFA to support the academy with the costs of teachers' pay awards.
- v) The Teachers Pension Grant represents funding from the ESFA to support the academy with the cost of increased teachers' pension contributions .
- vi) The Universal Infant Free School Meals grant represents funding received from the ESFA to provide free school meals to pupils from reception to year 2.
- vii) The Rates Relief grant represents funding received from the ESFA to assist the academy in meeting the costs of their National Non-Domestic Rates (NNDR).
- viii) Special Educational Needs is funding received by the Local Authority to fund further support for students with additional needs. £91,000 was received during the period, all of which has been spent.
- ix) Covid Catch Up Premium is funding received from the ESFA to support children and young people to catch up on missed learning caused by the Coronavirus pandemic.
- x) The Covid Emergency Support grant is funding received from the ESFA to assist the academy with meeting their costs during the Coronavirus pandemic.
- xi) The £14,000 received from the DfE/ESFA represents the devolved formula capital grant received during the year. Depreciation charged for the year has been charged to the fund. Of this amount received, £Nil remains unspent at the year end.
- xii) The defined benefit pension scheme fund relates to the valuation of the Local Government Pension Scheme transferred on conversion. The deficit was reduced at the year end to £785,000 (2021: £3,079,000) and this is included as a liability on the balance sheet (see note 26).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022 (cont'd)

15 FUNDS (cont'd)

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

	Balance at 1 September 2020 £'000	Incoming Resources £'000	Resources Expended £'000	Gains, Losses & Transfers £'000	Balance at 31 August 2021 £'000
Restricted general funds					
General annual grant (GAG) (note i)	13	1,576	(1,581)	-	8
Pupil premium grant (note ii)	-	47	(47)	-	-
PE and sports grant (note iii)	-	-	-	-	-
Teachers pay grant (note iv)	-	-	-	-	-
Teachers pension grant (note v)	-	84	(84)	-	-
Infant Free School Meals (note vi)	-	72	(72)	-	-
Rates Relief (note vii)	-	34	(34)	-	-
SEN grant LA (note iii)	-	111	(111)	-	-
Covid catch up premium (note ix)	-	34	(34)	-	-
Covid emergency support (note x)	-	33	(33)	-	-
School fund	155	11	(11)	-	155
	<u>168</u>	<u>2,002</u>	<u>(2,007)</u>	<u>-</u>	<u>163</u>
Restricted fixed asset funds					
Devolved formula capital grant (note v)	106	64	(67)	71	174
Capital expenditure from GAG	-	-	-	-	-
	<u>106</u>	<u>64</u>	<u>(67)</u>	<u>71</u>	<u>174</u>
Restricted pension scheme liability					
Pension reserve (note vi)	(2,611)	-	(165)	(303)	(3,079)
	<u>(2,611)</u>	<u>-</u>	<u>(165)</u>	<u>(303)</u>	<u>(3,079)</u>
Total restricted funds	(2,337)	2,066	(2,239)	(232)	(2,742)
Unrestricted funds					
Unrestricted funds	393	226	(201)	(71)	347
Total unrestricted funds	393	226	(201)	(71)	347
Total funds	(1,944)	2,292	(2,440)	(303)	(2,395)

16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2022 are represented by:

	Unrestricted Funds £'000	Pension Restricted Funds £'000	General Restricted Funds £'000	Fixed Assets Restricted Funds £'000	Total £'000
Tangible fixed assets	-	-	-	215	215
Current assets	411	-	378	-	789
Current liabilities	-	-	(180)	-	(180)
Pension scheme liability	-	(785)	-	-	(785)
	<u>411</u>	<u>(785)</u>	<u>198</u>	<u>215</u>	<u>39</u>

Fund balances at 31 August 2021 are represented by:

	Unrestricted Funds £'000	Pension Restricted Funds £'000	General Restricted Funds £'000	Fixed Assets Restricted Funds £'000	Total £'000
Tangible fixed assets	-	-	-	174	174
Current assets	347	-	329	-	676
Current liabilities	-	-	(166)	-	(166)
Pension scheme liability	-	(3,079)	-	-	(3,079)
	<u>347</u>	<u>(3,079)</u>	<u>163</u>	<u>174</u>	<u>(2,395)</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022 (cont'd)

17 CAPITAL COMMITMENTS

	2022	2021
	£'000	£'000
Contracted for, but not provided in the financial statements	Nil	Nil
Authorised by governors, but not yet contracted	<u>Nil</u>	<u>Nil</u>

18 COMMITMENTS UNDER OPERATING LEASES

Operating leases

At 31 August 2022 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2022	2021
	Other £'000	Other £'000
Operating leases which expire:		
- Within one year	2	2
- Within two to five years	-	2
	<u>2</u>	<u>4</u>

19 RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022	2021
	£'000	£'000
Net expenditure for the reporting period (as per the statement of financial activities)	(82)	(148)
Adjusted for:		
Depreciation (note 12)	94	67
Capital grants from DfE and other capital income	(31)	(64)
Interest receivable	-	-
Defined benefit pension scheme cost less contributions payable (note 25)	170	125
Defined benefit pension scheme finance cost (note 25)	52	40
Decrease/(increase) in debtors	70	(57)
Increase in creditors	14	16
Net cash provided by(used in) operating activities	<u>287</u>	<u>(21)</u>

20 CASH FLOWS FROM INVESTING ACTIVITIES

	2022	2021
	£'000	£'000
Interest received	-	-
Purchase of tangible fixed assets	(135)	(135)
Capital grants from DfE/ESFA	14	64
Capital funding received from sponsors and others	17	-
Receipts from sale of tangible fixed assets	-	-
Net cash used in investing activities	<u>(104)</u>	<u>(71)</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022 (cont'd)

21 CASH FLOWS FROM FINANCING ACTIVITIES

	2022	2021
	£'000	£'000
Repayments of borrowing	-	-
Cash inflows from new borrowing	-	-
Net cash (used in)/provided by financing activities	-	-

22 ANALYSIS OF CASH AND CASH EQUIVALENTS

	At 31 Aug	At 31 Aug
	2022	2021
	£'000	£'000
Cash in hand and at bank	726	543
Total cash and cash equivalents	726	543

23 ANALYSIS OF CHANGES IN NET DEBT

	At 1 September	Cash	At 31 Aug
	2021	Flows	2022
	£'000	£'000	£'000
Cash at bank	543	183	726
Overdraft	-	-	-
	543	183	726
Loans within one year	-	-	-
Loans within more than one year	-	-	-
	543	183	726

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022 (cont'd)**24 MEMBERS' LIABILITY**

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

25 PENSION AND SIMILAR OBLIGATIONS

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

The total pension cost to the Academy during the year ended 31 August 2022 was £572,000 (2021: £498,000) of which £186,000 (2021: £193,000) relates to the TPS and £386,000 (2021: £395,000) relates to LGPS.

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

Contributions amounting to £Nil (2021: £Nil) were payable to the schemes at 31 August 2022 and are included within creditors.

TEACHERS' PENSION SCHEME (TPS)**Introduction**

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employers pension costs paid to TPS in the period amounted to £186,000 (2021: £193,000).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022 (cont'd)

25 PENSION AND SIMILAR OBLIGATIONS (cont'd)

LOCAL GOVERNMENT PENSION SCHEME

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £196,000 (2021: £214,000) of which employer's contributions totalled £164,000 (2021: £180,000) and employees' contributions totalled £32,000 (2021: £34,000). The agreed contribution rates for future years are 5.5% - 12.5% (2021: 5.5%-12.5%) for employers and between 22% (2021 : 22%) for employees.

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

Principal Actuarial Assumptions

	At 31 August 2022	At 31 August 2021
The major assumptions used by the actuary were:	% per annum	% per annum
Discount rate	4.3%	1.7%
Salary increases	4.1%	3.9%
Pension increase	3.1%	2.9%

Sensitivity analysis for the principal assumptions used to measure the scheme liabilities were as follows:

	At 31 August 2022 Approx £'000	At 31 August 2021 Approx £'000
Discount rate reduced by 0.1% per annum	78	155
Assumed pension increased by 0.1% per annum	68	137
Salary growth increased by 0.1% per annum	11	76

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

	At 31 August 2022	At 31 August 2021
Retiring today		
- Males	21.2	21.6
- Females	23.6	24.0
Retiring in 20 years		
- Males	22.9	23.4
- Females	25.4	25.8

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022 (cont'd)

25 PENSION AND SIMILAR OBLIGATIONS (cont'd)

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

	Fair value at 31 August 2022 £'000	Fair value at 31 August 2021 £'000
Equity instruments	1,905	1,694
Debt instruments	597	400
Property	227	195
Cash	114	102
Other	-	389
Total market value of assets	<u>2,843</u>	<u>2,780</u>
- Funded	(2,843)	(2,780)
- Unfunded	(785)	(3,079)
Total liabilities	<u>(3,628)</u>	<u>(5,859)</u>
Deficit in the scheme	<u>(785)</u>	<u>(3,079)</u>

The actual return on the scheme assets in the year was a deficit of £88,000 (2021: £404,000 surplus).

Amounts recognised in the Statement of Financial Activities

	2022 £'000	2021 £'000
Current service cost	334	305
Interest income	(47)	(37)
Interest cost	99	77
Total amount recognised in the SOFA	<u>386</u>	<u>345</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022 (cont'd)

25 PENSION AND SIMILAR OBLIGATIONS (cont'd)

	2022	2021
	£'000	£'000
Changes in deficit during the year:		
Deficit in the scheme at 1 September	3,079	2,611
Movement in year:		
- Employer service cost (net of employee contributions)	334	305
- Employer contributions	(164)	(180)
- Expected return on scheme assets	(47)	(37)
- Interest cost	99	77
- Actuarial (gains)/losses	(2,516)	303
Deficit in the scheme at 31 August	785	3,079

	2022	2021
	£'000	£'000
Changes in the present value if defined benefit obligations were as follows:		
At 1 September	5,859	4,812
Current service cost	334	305
Interest cost	99	77
Employee contributions	32	34
Actuarial (gains)/losses	(2,651)	670
Benefits paid	(45)	(39)
At 31 August	3,628	5,859

	2022	2021
	£'000	£'000
Changes in the fair value of academy's share of scheme assets:		
At 1 September	2,780	2,201
Expected return on assets	47	37
Actuarial (losses)/gains	(135)	367
Employer contributions	164	180
Employee contributions	32	34
Benefits paid	(45)	(39)
At 31 August	2,843	2,780

The estimated value of employer contributions for the year ended 31 August 2023 is £165,000 (2022: £173,000).

26 RELATED PARTY TRANSACTIONS

Owing to the nature of the academy trust's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

In entering into the transactions the trust has complied with the requirements of the Academy Trust Handbook 2021.

No related party transactions took place in the period of account, other than certain trustee's remuneration and expenses already disclosed in note 10.

27 EVENTS AFTER THE END OF THE REPORTING PERIOD

There are no material adjusting or non adjusting events arising after the balance sheet date.