

Company Registration Number: 05090788 (England & Wales)

THOMAS DEACON EDUCATION TRUST

(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

THOMAS DEACON EDUCATION TRUST
(A Company Limited by Guarantee)

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THOMAS DEACON EDUCATION TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Mr M Delap Mr I Clarkson Mr A Peters Mr M Dorsett Mr I Wigston
Trustees	Dr R Barnes, Chairman Mr M Mavani, Responsible Officer ¹ Mrs J Taylor, Chief Executive (resigned 31 August 2021) Mr E Winstone Mr M Potter, (Co-opted) Mr S J Smith, (Co-opted) (resigned 18 December 2020) ¹ Mr S Rehman, (Co-opted) ¹ Mrs K Peck, (Co-opted) (resigned 31 July 2021) ¹ Mr S Marsh, (Co-opted) ¹ Mrs K Hall Prof B Barker (appointed 18 December 2020) ¹ Mr M Gernon, Ex Officio (appointed 1 September 2021) Mr I Hussain (appointed 20 September 2021)
	¹ Members of the Resources Committee
Company registered number	05090788
Company name	Thomas Deacon Education Trust
Principal and registered office	Queen's Gardens Peterborough Cambridgeshire PE1 2UW
Company secretary	Mr A Stevens (appointed 1 October 2021) Mr P Kirkbride (appointed 7 June 2021, resigned 30 September 2021) Mr S J Smith (resigned 6 June 2021)
Executive group	Mrs J Taylor (resigned 31 August 2021), Chief Executive Mr M Gernon (appointed 1 September 2021), Chief Executive Mr S Hudson, Director of Education Mr S J Smith (resigned 6 June 2021), Director of Resources Mr P Kirkbride (appointed 7 June 2021, resigned 30 September 2021) Mr A J Stevens (appointed 1 October 2021)
Independent auditors	MHA MacIntyre Hudson Chartered Accountants Moorgate House 201 Silbury Boulevard Milton Keynes Buckinghamshire MK9 1LZ

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Bankers Lloyds Bank
65 High Street
Stamford
PE9 2AT

Solicitors Browne Jacobson Solicitors
Mowbray House
Castle Meadow Road
Nottingham
NG2 1BJ

THOMAS DEACON EDUCATION TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their report together with the financial statements of the charitable company for the year ended 31 August 2021.

The financial statements have been prepared in accordance with the accounting policies on pages 37 to 42 of the attached financial statements, and comply with the charitable company's Articles of Association, the Companies Act 2006, the Charities Act 2011 and the Academies Accounts Direction issued by the ESFA. The annual report serves the purposes of both a Trustees' report, and a directors' report under company law.

The Trust operates 7 academies for pupils aged 0-19 serving a catchment area in Peterborough and North Cambridgeshire. One academy includes on-site nursery provision and another includes pre-school provision. The Trust had 5,204 pupils on roll on 7 October 2021.

The academies are:

Thomas Deacon Academy (7-18)
Queen Katherine Academy (11-18)
Richard Barnes Academy (5-16)
Welbourne Primary Academy (4-11)
Gladstone Primary Academy (4-11)
Warboys Primary Academy (4-11)
Upwood Primary Academy (4-11)

Structure, governance and management

a. Constitution

The Trust is a company limited by guarantee and an exempt charity. The charitable company's Articles of Association is the primary governing document of the Trust. Members of the charitable company are nominated by either the Secretary of State for Education, or by Caterpillar Inc. or the Thomas Deacon Foundation, designated sponsors of the predecessor school, as identified in the Articles.

b. 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 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 cease to be a member.

c. Trustees' indemnities

As disclosed in note 13 professional indemnity insurance is paid on behalf of the Trustees and officers of the Trust.

d. Board of Trustees

The Trustees are directors of the charitable company for the purposes of the Companies Act 2006 and trustees for the purposes of charity legislation.

Trustees are not subject to retirement by rotation. They are appointed for fixed periods and are eligible for re-election at the meeting at which they retire. The Trustees, who were in office at 31 August 2021, and served throughout the year, except where shown, are listed on page 1.

During the year under review the Trust Board held 4 regular meetings, as well as 4 Resources Committee and 4 Education Committee meetings.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

New Trustees

Under the terms of the Trust's funding agreement and articles, Trustees are appointed as follows:

- up to 5 Trustees, appointed through ordinary resolution by the Members;
- a minimum of 2 Parent Trustees elected or appointed under Articles 53-56 in the event that no Local Governing Bodies are established under Article 100a or if no provision is made for at least 2 Parent Local Governors on each established Local Governing Body pursuant to Article 101a. The two principal sponsors can each appoint two Trustees.
- The Board retains the right to appoint other Trustees as it deems fit dependent on need. Any new co-opted member of the Trust Board must be confirmed at a full meeting of the board.

e. Policies adopted for the induction and training of Trustees

All Trustees receive continual training to ensure their understanding of a range of issues connected to each academy. Induction training for new members of the Trust Board is provided on charity, educational, legal and financial matters.

f. Organisational structure

The structure of Thomas Deacon Education Trust (TDET) consists of the following levels:

- Trust Board, including the Chief Executive
- Resources Committee, including the Director of Resources and Director of Education
- Education Committee, including the Director of Education and Director of Resources
- Academy Committees
- Executive Group

Decisions are taken across these committees and executive group in accordance with the Scheme of Delegation.

Each Academy has its own leadership team who are responsible for managing the day-to-day activity and progress of the academy.

An aim of the management structure is to distribute responsibility and encourage involvement in decision making at all levels, through a clear scheme of delegation, which is reviewed annually and published in the TDET website.

The Trust Board is responsible for setting general policy, adopting an annual plan and budget, monitoring the Trust budgets and making major decisions about the direction of the Trust, capital expenditure and senior staff appointments.

The Executive Group are the Chief Executive, Director of Education, and the Director of Resources as described on page 1. These leaders control the Trust at an executive level, implementing the policies laid down by the Trust Board and reporting back to them. As a group, the Executive Group are responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment boards for senior posts in each academy often involve Trustees. Some spending control is devolved to members of the Academy Leadership Team, with limits above which a member of the Executive Group must countersign.

Academy Leadership Teams vary according to the size and phase of the Academy but normally consist of the Principal, the Vice Principal and any Assistant Principals. These senior leaders are responsible for the day-to-day operation of the Academy, in particular organising the teaching staff, curriculum delivery, facilities and

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

welfare of students.

g. Arrangements for setting pay and remuneration of key management personnel

Following review in 2019, the revised Teachers and Executive Pay Policy was formally implemented on 1st September 2019. Alongside the non-teaching staff Pay Policy, the Trust operates a policy that outlines the approach of pay progression for all staff. Pay for the Chief Executive is recommended by the Chair of the Trust Board. Each Principal's pay is recommended by the Chief Executive and agreed by the Resources Committee. For each Academy Leadership Team, any salary progression is recommended by the appropriate Principal and also agreed through the Resources Committee but based on salary increases approved as part of the Teachers and Executive Pay Policy. The policy for all standard pay awards and any associated performance pay, follows a consistent approach across all staff, including executives, and is in line with the pay policy.

h. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	-
Full-time equivalent employee number	-

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1%-50%	-
51%-99%	-
100%	-

Percentage of pay bill spent on facility time **£000**

Total cost of facility time	-
Total pay bill	30,328
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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i. Equal opportunities policy

The Trustees recognise that equal opportunities should be an integral part of good practice within the workplace. The Trust aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully recognised and valued.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

j. Engagement with employees (including disabled persons)

TDET are committed to continuous employee engagement throughout the year. Proactive discussions are held regularly with Union partners to encourage and ensure transparency in any decisions affecting staff.

Lifts, ramps and disabled toilets are installed, and door widths are adequate to enable wheelchair access to all the main areas of all TDET sites. The policy of the Trust is to support recruitment and retention of students and employees with disabilities. The Trust does this by adapting the physical environment, by making support resources available and through training and career development. All TDET sites are compliant with the Equality Act.

k. Engagement with suppliers, customers and others in a business relationship with the Trust

TDET believes that schools and communities can change one another for the better. Working together, they can radically transform the futures of young people. TDET works closely with the communities in which it serves. This is achieved in a variety of ways, from governance at local and Board level, to careers information advice and guidance, through the development of business partnerships as well as regional and national collaboration on educational and business matters. Many of our senior leaders serve as governors or Trustees on other non-related business or education committees. Regular communication and engagement is undertaken with parents/carers and the wider community. TDET is proud of the position it holds in its communities and takes full responsibility for developing an effective engagement strategy. This forms a significant part of the TDET strategic plan.

l. Subsidiary company

The Trust owns 100% of the issued ordinary shares of TDA Development Ltd., a company incorporated in England (registration no. 06435213). In the year to 31 August 2021 the subsidiary recorded a loss of £10,062. Further details regarding the subsidiary company are given in note 32 of the financial statements.

m. Connected organisations

Caterpillar Inc. and the Thomas Deacon Foundation are sponsors to The Thomas Deacon Academy (TDA), and now TDET, and since TDA's founding have donated £2 million to assist the Academy in achieving its objectives.

TDET has an ongoing association with IQRA Academy, an independent all-girls Muslim Faith Academy in Peterborough. No formal arrangement has been agreed, but IQRA works with the Trust on a range of initiatives where there are common benefits for all parties.

Objectives and activities

a. Objects and aims

The principal object and activity of the charitable company is the operation of TDET by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum ("the mainstream Academies") or educational institutions which are principally concerned with providing full-time or part-time education for children of compulsory school age who, by reason of illness, exclusion from school or otherwise, may not for any period receive suitable education unless alternative provision is made for them ("the alternative provision Academies") or 16 to 19 Academies offering a curriculum appropriate to the needs of its students ("the 16 to 19 Academies") or schools specially organised to make special educational provision for pupils with Special Educational Needs ("the Special Academies").

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities (continued)

In accordance with the Articles of Association the charitable company has adopted a "Scheme of Government" approved by the Secretary of State for Education and Skills. The Scheme of Government specifies, amongst other things, the basis for admitting students to the Academy, the catchment area from which the students are drawn, and that the curriculum should comply with the substance of the national curriculum with an emphasis on science and technology and their practical applications.

2020/21 was the second year of the 3-year strategic plan adopted by the Trustees. The vision and strategic intent was defined as:

- **Vision:** TDET Academies are connected by a common set of values to empower every student, every member of staff, parents and the community through a high-quality education.
- **Strategic Intent:** We will be a sustainable Trust, rooted in its community, providing externally validated, high quality education with a reputation for excellence.

This is being delivered through our focus on:

- **High Quality Education:** We provide high quality education and care that empowers all to thrive.
- **Engagement:** We are a Multi Academy Trust that engages meaningfully with our communities.
- **Organisational Development:** We are fit for purpose, with the right people, efficient systems and have the capacity to deliver and grow our expert services.

b. Objectives, strategies and activities

As described above, the Trust's main strategies are based around 3 key themes and 9 subthemes:

- 1) High Quality Education
 - a) Curriculum Intent and Impact
 - b) Curriculum Implementation
 - c) Attitude, Behaviours and Personal Development
- 2) Engagement
 - a) Communication
 - b) Community
 - c) Branding
- 3) Organisational Development
 - a) People
 - b) Growth
 - c) Financial Sustainability

Academy Improvement Plans and other Business Plans are focused on these areas to support the delivery of the main objectives.

During the year, Trustees received updates against the delivery of these objectives.

c. Public benefit

In setting objectives and planning activities, the Trust Board have paid due regard to the published guidance from the Charity Commission on the operation of the Public Benefit requirement under the Charities Act 2011.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report

Achievements and performance

1 Educational provision during COVID 19 pandemic

1.1 Background

- 1.1.1 As a result of the COVID 19 pandemic, and updates to government policy, provision during the year looked different in each of three distinct periods. Objectives and emergent priorities were different for each of these periods, and so the following report addresses each separately.
- 1.1.2 The pandemic continues to have a financial impact across TDET. During lockdown, costs associated with CPD, travel and subsistence, supply teachers, and photocopying were all significantly reduced. In other areas, costs may have increased due to different requirements such as cleaning, work packs, staff and student laptops and connectivity.

1.2 September 2020 – December 2020

- 1.2.1 On 2nd July 2020, the government announced its intention that all children and young people would return to full-time education from September. Guidance from government included a set of principles to support schools in their planning. Trust staff worked with principals and their senior teams to prepare for the full re-opening of schools. First and foremost was the need to manage health and safety aspects of the return.
- 1.2.2 Steps taken included:
- Developing a set of management guidelines and an overall risk assessment tool.
 - Individual academies developing their own site and context specific risk assessments and safer working practices. This information was shared widely with staff, pupils and parents.
 - Keeping pupils in smaller group populations (bubbles) and where possible limiting movement around the wider school buildings (zoning).
 - Making alterations to the timing of the school day and lessons, staggering starts, finishes, lunch and break times.
 - A focus on pupils' well-being and building of relationships to help ease the transition back into full-time education.
 - There was no reduction to the broad range of subjects taught. Some modifications were made in order to allow a greater personal development focus eg through extended tutor times; additional Physical Education; and problem-solving and skills development.
- 1.2.3 Experiential evidence and feedback from staff in all TDET academies suggested that most pupils returned in a positive frame of mind. A small number of safeguarding, mental health and settling in issues were identified and pupils were supported as appropriate. TDET staff were aware that there may be some latent issues that present further down the line and staff were vigilant to this.
- 1.2.4 The most significant challenges arising were:
- In the first 3 weeks there were over 190 pupils across the Trust who needed to be isolated and tested due to displaying symptoms. They then needed to be monitored and provided with work, placing additional pressures on school facilities and staff.
 - Delays in being able to access a test and have the results processed meant that from displaying symptoms to a return to work (for a negative result) could require 3 days of absence for members of staff.
- 1.2.5 New ways of working were considered to be positive and initial feedback indicated that principals would continue with aspects such as:
- Virtual staff meetings
 - Online CPD
 - A different school day
 - Different zones and separate entrances for different groups
 - Staggered lunches
 - The remote offer for pupils
 - Flexible working policies for central staff

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report (continued)

Achievements and performance (continued)

1.3 January 2021 – March 2021

- 1.3.1 On 17th December 2020, the government advised that secondary schools should not fully re-open until 11th January. This was to help schools prepare for the rollout of mass testing of staff and students. Primary schools, special schools and alternative provision were expected to open fully from the start of term. These arrangements were superseded by an announcement on the evening of 4th January, placing the country in a national lockdown.
- 1.3.2 Schools were required to move to remote learning provision, only remaining open for vulnerable children and the children of critical workers from 5th January until further notice. Otherwise, only nursery provision was expected to remain fully open.
- 1.3.3 All schools were required to continue to offer free school meals for eligible children during this period while the school was closed. TDET moved quickly to manage this process through a system of voucher allocation.
- 1.3.4 Each academy produced its own plan for remote learning, with expectations that KS1 pupils were provided with/directed towards 3 hours of activity/learning per day, KS 2 pupils 4 hours and secondary pupils 5 hours. There had been a significant amount of learning from the previous lockdown in relation to the provision of remote learning. Principals also put arrangements in place to quality assure remote learning.
- 1.3.5 The biggest barrier to full engagement was the access to digital devices and/or internet connectivity. TDET worked with its academies to identify students and families for whom this was an issue and worked hard to utilise the government allocation for devices and to get these ordered, set up and distributed as quickly as possible. TDET identified a need for 621 devices and were able to make 457 available for distribution, an initial shortfall of 164. Where access to devices were an issue, paper packs, workbooks and textbooks were made available to support learning. The required additional devices were subsequently provided.
- 1.3.6 Safeguarding remained a key priority and all academies amended their procedures in line with guidance provided and all staff were made aware of any amendments to the guidance. Principals and key pastoral leads ensured regular well-being checks were undertaken and staff were required to use MyConcern to report any concerns they have of a safeguarding nature. These concerns were all followed up by designated safeguarding leads.

1.4 March 2021 – August 2021

- 1.4.1 On 22nd February, the government confirmed its school re-opening plans, with all settings expected to re-open on 8th March. The Department for Education published updated guidance for schools. Through very well-established systems and processes and a team approach, the transition to a full re-opening worked well. The two-week lead-in period was used effectively to consider existing plans, make changes where necessary and share information with staff and pupils/parents. As in a previous return to wider opening, we were mindful to ensure that relationship building was a key focus as pupils and staff return to school following a significant break.
- 1.4.2 Pupil attendance was good, and our academies were broadly in line with local and national attendance rates. There was some staff absence due to Covid reasons but that was limited.
- 1.4.3 In our primary academies, the transition was perhaps more easily managed as it was in essence a return to the provision that was in place prior to the previous lockdown period. In our secondary academies, the requirement to undertake on site testing provided some very real operational and logistical challenges. However, lessons learned from small scale pilots at RBA and QKA proved useful and with the support of TDET Health and Safety and Premises teams, plans were created and implemented successfully.
- 1.4.4 All secondary students moved to a twice weekly home testing regime. All staff also used a home testing regime and testing twice weekly. A positive home test needed to be confirmed by a PCR test, although self-isolation commenced immediately.
- 1.4.5 In line with guidance from the LA and DfE, all CEV pupils remained at home and received their education remotely. This involved a very small number of pupils across all TDET academies. CEV staff were also

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report (continued)

Achievements and performance (continued)

expected to remain at home – undertaking appropriate work where feasible. Through carefully considered risk assessments and mitigation controls, there were some staff who chose to return to working on site. Across TDET academies, there were 28 staff identified as CEV, 6 of whom opted to return to working on site.

2 Educational Outcomes 2021

2.1 Background

2.1.1 Following on from the announcement of a national lockdown, a subsequent statement identified that there would be no national tests for primary aged children and that GCSE and A-level examinations would not take place. However, there was a requirement for every centre to adopt a policy for the awarding of Teacher Assessed Grades for GCSE and A-level students. A Trust wide policy was developed and approved with each academy subsequently amending this to take into account their local context.

2.1.2 The following principles of our policy were applied:

- a) To determine the grade each student should receive, teachers must assess their students' performance only on what content has been delivered to them.
- b) Teachers can use evidence of a student's performance from throughout the course to inform their judgement.
- c) Teachers should determine the grades as late in the academic year as is practicable, and not confined to a defined window, to enable teaching to continue for as long as possible.
- d) Schools and colleges should use a broad range of evidence across the taught content to determine the grades before submitting the grades to the exam boards.

2.1.3 Each academy ensured that 'internal' quality assurance systems were in place to ensure fairness, rigour, and accuracy of process. These systems included SLT oversight, standardisation, and moderation of submitted evidence using academy staff and staff from outside the academy, and utilisation of subject expertise e.g. examiner input. Additionally, the Trust undertook a range of quality assurance activities led by the Trust's School Development Lead. A final sign-off meeting took place between each academy Principal and the Chief Executive and Director of Education.

2.1.4 Examining bodies requested a sample of work from each of our academies across a range of subjects for scrutiny. In all cases the examining bodies were satisfied that the work submitted demonstrated accuracy and validity of the awarded grade.

2.1.5 Students were able to make an appeal if they were dissatisfied with the grade(s) awarded. Across the Trust there were over 60 conversations that took place regarding appeals leading to 4 stage 1 (Trust) appeals (3 A-Level and 1 GCSE) of which one was taken to a stage 2 appeal (Examining Body) which the awarding organisation rejected.

2.2 Destinations

2.2.1 QKA

- a) 51% of Post 16 leavers going to university (this is down on 'usual' figures and represents the impact of COVID-19)
- b) 49% of Post 16 leavers going into employment/apprenticeships
- c) 50% of Year 11 leavers going to 6th form (and 50% going to a TDET 6th form)
- d) 50% of Year 11 leavers going to FE

2.2.2 TDA

- a) 83% of Post 16 leavers going to university
- b) 14% of Post 16 leavers going into employment/apprenticeships
- c) 63% of Year 11 leavers going to 6th form (and 50% going to a TDET 6th form)
- d) 37% of Year 11 leavers going to FE/apprenticeships

2.2.3 RBA

- a) 68% of learners are currently in EET with a further 9 learners (17%) still to be confirmed via College/ Parents.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report (continued)

Achievements and performance (continued)

- b) 13% of learners have not enrolled or are confirmed as NEET. It is worth noting that more than half of these learners are those that we were historically placed on roll prior to RBA becoming part of the Trust (students that attended a different provision).

Going concern

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

Promoting the success of the company

Trustees of Thomas Deacon Education Trust consider, both individually and together, that they have acted in the way they consider would be most likely to promote the success of the company for the benefits of the children in its care, the community and the members.

Our primary purpose is to advance education for the children in our care and our strategic plan has been developed to have long-term beneficial impact for all children in our academies and the wider community, while maintaining short-term improvement. We continue to see educational improvements that are delivered within financial thresholds and within the regulatory framework.

Our employees are fundamental to the delivery of our plan. Our People Strategy aims to ensure TDET have the best people in the industry working for us as collaborative partners, who are fully engaged and enabled to deliver our strategic intent in a sustainable and efficient operating model. The health, safety and well-being of our employees remains a core focus, as well as providing continuous development for staff to be the best they can be.

Trustees and the Executive take their community responsibilities seriously and collaborate fully with the sector, both locally and nationally. Our strategic ambition remains to nurture and develop relationships that encourage collaboration with colleagues from other schools, multi academy trusts, and the Department for Education, thereby helping influence connected thinking across the sector. At a local level, regular communication with parents and the community is undertaken to seek feedback on our progress and each of our academy leaders work closely with their communities and engage regularly and consistently with parents and wider stakeholders.

Risk management plays an intrinsic role in overseeing the multi academy trust and its operations. Strategic risks are regularly considered by the Trustees of the Trust and operational risk are managed at an academy level. Mitigation actions are scrutinised to understand the short-term expectations against the long-term benefits ensuring sustainability over the long-term.

Financial review

a. Financial Review

Most of the Trust's income is obtained from the 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 2021 and the associated expenditure are shown as restricted funds in the statement of financial activities.

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TDET also receives grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2019), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

The Trust held fund balances at 31 August 2021 of £32,906,000 comprising £52,485,000 of restricted fixed asset funds, £1,714,000 of restricted funds, £629,000 of unrestricted general funds and a pension reserve deficit of £21,922,000.

During the year ended 31 August 2021, total expenditure (excluding pension and fixed assets) of £35,573,000 was fully covered by recurrent grant funding from the ESFA together with other incoming resources. The excess of income over expenditure for the year (excluding pension and restricted fixed asset funds, but including transfers) was £757,000.

At 31 August 2021 the net book value of fixed assets was £51,347,000 and movements in tangible fixed assets are shown in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Trust.

TDET has obtained a full actuarial valuation of the pension liability under FRS102 in respect of its administrative staff pension scheme, for each of its academies. During the year TDET incurred an increase of its pension liability of £5,540,000 resulting in an overall deficit of £21,922,000.

b. Reserves policy

The Trustees review the reserve levels of the Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. In 2020/21 the Trustees reviewed reserve levels and determined that the appropriate level of unrestricted reserves should be equivalent to 5% of total income of the Trust, which equates to approximately £1,887,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. TDET's current level of free reserves (total funds less the amount held in ringfenced funds) is a surplus of £2,343,000 which is in line with that needed.

c. Investment policy

TDET has an approved investment policy which covers the appropriate use of surplus funds. The Chief Executive and the Trust Board have overall responsibility for the security and management of funds. The day-to-day management of the treasury function is controlled by the Director of Resources.

The Director of Resources will liaise with the Resources Committee in relation to strategy, status and market conditions.

The Chair of the Resources Committee will liaise with the Board for approval of any changes to strategy and to provide an update on investments.

TDET has a guiding principle for ethical investments.

TDET will operate an interest-bearing current account with a bank or building society approved by the Board and maintain a balance in that account of £680,000, to cover immediate and forthcoming financial commitments and sufficient contingency for unexpected payments.

Monies surplus to the working requirements shall be invested in a number of accounts in the name of the Trust with the approved institutions authorised by the Board. These may be higher interest-bearing accounts operated

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TRUSTEES' REPORT (CONTINUED)
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by the same bank that the Trust operates its current account with, or an alternative approved institution. The Director of Resources will ensure that funds are invested in fixed term blocks to ensure the maximum return whilst maintaining the necessary working capital. The Director of Resources is not permitted to make more than four (4) transfers per calendar month without the approval of the Resources Committee.

d. Principal risks and uncertainties

The Trust Board have a comprehensive risk management process to identify and monitor the risks faced by the Trust. The key categories are: Strategic; Governance; Financial; Safeguarding; Health and Safety; and Legal. A point scoring mechanism is in place with greater emphasis directed towards those identified higher risk areas. The Board believe that the major risks that the Trust is currently facing relate to medium term funding issues as a result of RBA being transferred with a significant in-year deficit, alongside the risk of quality of education judgements not being seen to improve sufficiently and at pace.

e. Risk management

The Trustees have assessed the major risks to which the Trust is exposed, in particular the financial sustainability of TDET and onboarding of new academies. A due diligence process is applied to mitigate these risks. The Trustees have implemented a number of systems to assess risks that the Trust faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains, they have ensured they have adequate insurance cover.

Funds in deficit

TDET's share of the LGPS valuation, as determined by the actuary, is a total deficit of £21,922,000. The Trust continues to pay the recommended contribution to the scheme, as detailed in note 27. The scheme does not give rise to an immediate liability.

Fundraising

Throughout the school year, students are encouraged to fundraise to support a number of charities and organisations as part of their interest and involvement in the local and wider community. In 2020/21, students and staff have raised money through various sponsored events and non-uniform days to support organisations.

Charity contributions are split between charities that are local to each academy and a Trust wide initiative where funds are contributed to a chosen charity. All staff and students are encouraged to participate in these activities.

The Trust does not work with any professional fundraisers. The Trustees monitor all fundraising. With the exception of the above, the Trust does not contact or seek funding from the public or individuals.

THOMAS DEACON EDUCATION TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Streamlined energy and carbon reporting

TDET manages 7 academies, all with their own gas/oil fuelled boilers, and electricity is purchased (2019/20: 6 academies).

TDET run 5 diesel powered mini-buses and 2 Vans.

The Trust pupil numbers as at 7 October 2021 were: 5,204 (2019/20: 4,750)

We have followed the current HM government environment reporting guidelines. We have also used the current UK governments conversion factors for this company report.

	2021	2020
Energy consumption used to calculate emissions (kWh)	6,316,775	5,925,472
Energy consumption breakdown (kWh):		
Gas	3,859,533	3,516,577
Electricity	2,446,739	2,408,895
Transport fuel	10,503	26,232
Scope 1 emissions (in tonnes of CO2 equivalent):		
Gas consumption	707	650
Owned transport - mini-buses	2	7
Total scope 1	709	657
Scope 2 emissions (in tonnes of CO2 equivalent):		
Purchased electricity	520	562
Scope 3 emissions (in tonnes of CO2 equivalent):		
Business travel in employee-owned or rental vehicles	4	-
Total gross emissions (in tonnes of CO2 equivalent):	1,233	1,219
Intensity ratio:		
Tonnes of CO2 equivalent per pupil	0.24	0.25

Qualification and Reporting Methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government’s Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ration is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

TDET has formed a Strategic Sustainability Steering Group involving key stake holders across the whole organisation to formulate a plan for the trust’s sustainability goals for the future.

THOMAS DEACON EDUCATION TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Streamlined energy and carbon reporting (continued)

We have partnered with one of the industry's leading specialists, Delta Simons to support us on our journey.

Full condition surveys of all our sites have taken place and these will drive both our short and long-term planned investment and initiatives across the trust with sustainability being embedded in that process.

We continue to invest in energy saving technology such as LED lighting and are encouraging video conference meetings to help reduce travel between our sites.

Plans for future periods

The impact of the pandemic and closing of schools has had an impact on the progress being made towards the Trust's strategic plan. Equally, the retirement of the CEO and also resignation of the Director of Resources impacted on what priorities needed to be carried forward. The Executive Group reviewed the existing strategy plan with the incoming Chief Executive to ensure that continuity of planning and delivery would remain a high priority into the academic year 2021/22.

This process also allowed for a re-aligning of the strategy and re-visioning the future of TDET. As part of the new plans moving forward there will be continued focus and clarity on 4 key pillars:

- Educating our students for a future world
- People - becoming the employer of choice
- Strengthening governance and accountability through capacity building
- Community engagement and partnerships for growth (strategic and local)

The Trust will continue to focus on embedding its four core values – Trust, Diversity, Excellence, and Transformation - but with a greater emphasis on achieving excellence and driving transformation. It has a clear and ambitious roadmap for growth, digital transformation, curriculum development, people strategy, school improvement, and business excellence all designed to support improved student outcomes at a rapid pace. At the heart of this roadmap is a commitment to ensure that students are educated for a world of the future ensuring knowledge, qualification pathways, and future-focused skills for employability are in equal balance and personalised to each student. Any new academy or academy joining the Trust will be supported in delivering the above in ensuring the focus remains rooted in our values yet embracing a unique and future-focused culture for all our students.

In supporting the above, the Trust also has plans to create a Centre for Innovation, Research and Development which will support our People Strategy, Teacher Development, Action Research, Digital Development, and EdTech incubation. The Trust has ambitions to partner with leading-edge businesses and universities to support this venture.

Funds held as custodian on behalf of others

During the year, the Trust has held one fund as custodian - The Learner Support Fund at Thomas Deacon Academy. Funds are ringfenced and have been established to support students that are suffering from hardship and who may need financial support. Financial support is given where certain criteria are met. The balance of The Learner Support Fund as at 31 August 2021 was £37,175.

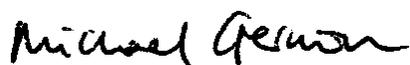
THOMAS DEACON EDUCATION TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Auditors

The Trust Board confirms that so far as they are aware, there is no relevant audit information of which the charitable company's auditors are unaware. They have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

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



Mr M Gernon
Chief Executive Officer



Dr R Barnes
Chairman

Date: 13th December 2021

THOMAS DEACON EDUCATION TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that TDET 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.

The Trust Board has delegated the day-to-day responsibility to the Chief Executive, 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 master funding agreement between TDET and the Secretary of State for Education and the supplementary funding agreements between each academy and the Secretary of State for Education. They are also responsible for reporting to the Board any material weaknesses or breakdowns in internal control.

Governance

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

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

Trustee	Meetings attended	Out of a possible
Dr R Barnes, Chair	4	4
Mr M Mavani, Responsible Officer	3	4
Mrs J Taylor, Chief Executive (resigned 31 August 2021)	4	4
Mr E Winstone	3	4
Mr M Potter	4	4
Mr S J Smith (resigned 18 December 2020)	1	1
Mr S Rehman	4	4
Mrs K Peck (resigned 31 July 2021)	3	4
Mr S Marsh	2	4
Mrs K Hall	4	4
Prof B Barker (appointed 18 December 2020)	3	3

The Resources Committee was established as a subcommittee of the main Trust Board, in January 2017. Its purpose is to oversee finance, HR, premises, health and safety, ICT strategy, and overview of audit and risk.

Attendance at this meeting was as follows:

Trustee	Meetings attended	Out of a possible
Mr S Marsh (Chair until 22 September 2021)	3	4
Mr S J Smith (resigned 18 December 2020)	2	2
Mr M Mavani (Chair since 22 September 2021)	4	4
Mr S Rehman	2	4
Mrs K Peck (resigned 31 July 2021)	2	4
Prof B Barker (appointed 18 December 2020)	2	2

THOMAS DEACON EDUCATION TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Education Committee was established as a subcommittee of the main Trust Board, in January 2018. Its purpose is to oversee educational strategy, outcomes and performance in each of the Academies.

Attendance of this meeting was as follows:

Trustee	Meetings attended	Out of a possible
Mr E Winstone (Chair)	4	4
Dr R Barnes	3	4
Mrs J Taylor (resigned 31 August 2021)	3	4
Mr M Potter	3	4
Mrs K Peck (resigned 31 July 2021)	1	4
Mrs L Soden (Chair) (non-Trustee)	4	4
Prof B Barker (appointed 18 December 2021)	3	4

Each Academy facilitates its own Academy Committee, which has been established to scrutinise education improvement and to hold the Principal to account on all educational matters.

Evaluation

The Trust Board carry out continual self-evaluation and training, including completing the financial management and governance self-assessment. Training is carried out by both specialist staff within the Trust and external providers to ensure trustees are fully briefed on all issues affecting the performance of their duties.

Review of value for money

As Accounting Officer, the Chief Executive 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:

Improving educational outcomes: Examination results and progress measures continue to improve year on year. The process deployed with Teacher and Centre-assessed Grades and cross-academy working led to significant efficiencies as well as effectiveness of process. Focus provided for Roma heritage children and new arrivals has impacted on levels of attainment and achievement beyond expected. The use of internal secondments in early years and behaviour support have supported educational priorities and improved progress in a number of areas.

Targeted improvement: Utilising expertise from another Trust to support the development of policies, processes and structures at RBA. Deployment of senior staff within the Trust to support academies with educational delivery of onsite and remote learning.

Lockdown impact: Ongoing support for students on FSM through the voucher scheme and our catering service. Continuation of education through remote learning and additional connectivity and access to devices to ensure greater equity through IT services and support. Savings made from occupancy costs outweighed additional resource requirements/costs for facilities management and operations. Trust-wide HR services provided additional support for well-being, absence management, and recruitment. A 'flexible working' policy has also led to central occupancy cost savings as well as positive impact on well-being and efficiency.

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

Collaboration: The Trust continues to engage with other educational providers, including other Multi Academy Trusts and the Department for Education, and experts to share delivery or good practice, and to drive up standards for the least cost. This includes working with Financial Directors forums to share best practice and consolidate thinking and efficiency opportunities.

Benchmarking: A range of key performance and benchmarking is used to ensure resources are allocated in accordance to need. Integrated Financial Curriculum Planning and core governance information is reported to trustees regularly to ensure scrutiny on all resource allocations. The Trust benchmarks itself against other comparative organisations using information supplied by the Education and Skills Funding Agency and auditor benchmarking information.

Better purchasing: A register of all services and contracts has been developed and all contracts are appraised or renegotiated in a timely manner to get the best mix of quality and effectiveness. The impact of renegotiated contracts for utilities has led to significant cost reduction this year.

In addition to the above, the Trust Board and Executive Group apply the principles of best value when making decisions about:

- the allocation of resources to best promote the aims and values of the Trust.
- the targeting of resources to best improve standards and the quality of provision.
- the use of resources to best support the various educational needs of all pupils.

The Trust has developed procedures for assessing need and obtaining goods and services which provide “best value” in terms of suitability, efficiency, time, and cost. Measures in place include:

- competitive tendering procedures
- procedures for accepting “best value” quotes, which are not necessarily the cheapest (e.g. suitability for purpose and quality of workmanship)
- procedures which minimise office time by the purchase of goods or services under £1,000 direct from known, reliable suppliers (e.g. stationery, small equipment).

Economies of scale: The Trust regularly takes opportunities to work collaboratively with others to reduce and share administration and procurement costs. Business Services have been centralised as part of developing the Trust realising financial savings, with consolidated purchasing established to reduce unit costs as far as practicable; this includes using government frameworks such as the Risk Protection Arrangement.

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 ongoing process designed to identify and prioritise the risks to the achievement of the Trust’s 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 TDET for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements.

GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

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

The risk and control framework

The 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 Trust Board;
- regular reviews by the Resources Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees has decided to employ Duncan and Toplis as internal auditor.

The internal audit was carried out through a series of checks and any recommendations reported directly to the Director of Resources and the Resources Committee. There are no material control issues arising as a result of these reviews and all recommendations have been acted upon and rectified within a 1 month timescale.

These arrangements can provide only reasonable and not absolute assurance that assets are safeguarded, transactions are authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected within a timely period.

Review of effectiveness

As Accounting Officer, the Chief Executive 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 Responsible Officer and Internal Audit;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the Executive Group within the Trust and who have responsibility for the development and maintenance of the internal control framework.

THOMAS DEACON EDUCATION TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness (continued)

The Accounting Officer has been advised of the implications of the result of ongoing internal control by the Resources Committee and any actions to address weaknesses to ensure continuous improvement of the system is in place.

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



Dr R Barnes
Chairman



Mr M Gernon
Chief Executive Officer

Date: 13th December 2021

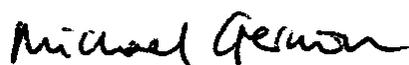
THOMAS DEACON EDUCATION TRUST
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Thomas Deacon Education Trust, I have considered my responsibility to notify the Trust Board and the Education and Skills Funding Agency of material irregularity, impropriety and noncompliance with ESFA terms and conditions of funding, under the funding agreement in place between the Multi Academy Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the Trust Board 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 Trust's Master Funding Agreement, each Academy Supplementary Funding Agreement and the Academies Financial Handbook 2020.

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



Mr M Gernon
Chief Executive Officer

Date: 13 December 2021

THOMAS DEACON EDUCATION TRUST
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Group and the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

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



Dr R Barnes
Chairman

Date: 13th December 2021

THOMAS DEACON EDUCATION TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
THOMAS DEACON EDUCATION TRUST**

Opinion

We have audited the financial statements of Thomas Deacon Education Trust (the 'parent') and its subsidiaries (the 'Group') for the year ended 31 August 2021 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the Academy balance sheet, the consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 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 Group's and of the parent Trust's affairs as at 31 August 2021 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

THOMAS DEACON EDUCATION TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THOMAS DEACON EDUCATION TRUST (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- the parent Trust has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Trust 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.

THOMAS DEACON EDUCATION TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THOMAS DEACON EDUCATION TRUST (CONTINUED)

Responsibilities of Trustees

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

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

Auditors' responsibilities for the audit of the financial statements

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

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:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff to identify any instances of non-compliance with laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing internal audit reports;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

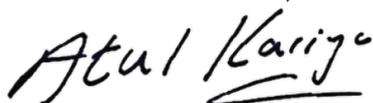
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

THOMAS DEACON EDUCATION TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
THOMAS DEACON EDUCATION TRUST (CONTINUED)**

Use of our report

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



Atul Kariya FCCA (Senior Statutory Auditor)

for and on behalf of

MHA MacIntyre Hudson

Chartered Accountants

Statutory Auditors

Milton Keynes

Date: 15 December 2021

THOMAS DEACON EDUCATION TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THOMAS DEACON EDUCATION TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 12 October 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Thomas Deacon Education Trust during the year 1 September 2020 to 31 August 2021 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 Thomas Deacon Education Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Thomas Deacon Education Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Thomas Deacon Education Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Thomas Deacon Education Trust's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Thomas Deacon Education Trust's funding agreement with the Secretary of State for Education dated 1 November 2012 and the Academies Financial Handbook, extant from 1 September 2020, 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 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

THOMAS DEACON EDUCATION TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THOMAS DEACON EDUCATION TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- a review of the objectives and activities of the Academy, with reference to the income streams and other information available to us as auditors of the Academy;
- testing a sample of payroll payments to staff;
- testing a sample of payments to suppliers and other third parties;
- consideration of governance issues; and
- evaluating the internal control procedures and reporting lines, testing as appropriate and making appropriate enquiries of the Accounting Officer.

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



MHA MacIntyre Hudson
Chartered Accountants
Statutory Auditors

Date: 15 December 2021

THOMAS DEACON EDUCATION TRUST
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Income from:						
Donations and capital grants	3	-	-	1,241	1,241	8,919
Charitable activities	4	68	35,453	-	35,521	30,036
Other trading activities	5	922	46	-	968	1,077
Investments	6	1	-	-	1	5
Total income		991	35,499	1,241	37,731	40,037
Expenditure on:						
Raising funds		301	71	-	372	310
Charitable activities		707	36,621	2,734	40,062	35,819
Total expenditure	7	1,008	36,692	2,734	40,434	36,129
Net (expenditure) /income		(17)	(1,193)	(1,493)	(2,703)	3,908
Transfers between funds	20	-	(160)	160	-	-
Net movement in funds before other recognised losses		(17)	(1,353)	(1,333)	(2,703)	3,908
Other recognised losses:						
Actuarial losses on defined benefit pension schemes	27	-	(3,413)	-	(3,413)	(454)
Net movement in funds		(17)	(4,766)	(1,333)	(6,116)	3,454

THOMAS DEACON EDUCATION TRUST
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Note					
Reconciliation of funds:					
Total funds brought forward	646	(15,442)	53,818	39,022	35,568
Net movement in funds	(17)	(4,766)	(1,333)	(6,116)	3,454
Total funds carried forward	629	(20,208)	52,485	32,906	39,022

THOMAS DEACON EDUCATION TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 05090788

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £000	2020 £000
Fixed assets			
Tangible assets	14	51,347	53,236
Current assets			
Stocks	16	182	219
Debtors	17	993	1,074
Cash at bank and in hand	24	5,973	3,902
		7,148	5,195
Creditors: amounts falling due within one year	18	(2,623)	(1,983)
Net current assets		4,525	3,212
Total assets less current liabilities		55,872	56,448
Creditors: amounts falling due after more than one year	19	(1,044)	(1,044)
Net assets excluding pension liability		54,828	55,404
Defined benefit pension scheme liability	27	(21,922)	(16,382)
Total net assets		32,906	39,022
Funds of the Trust			
Restricted funds:			
Fixed asset funds	20	52,485	53,818
Restricted income funds	20	1,714	940
		54,199	54,758
Restricted funds excluding pension asset	20	54,199	54,758
Pension reserve	20	(21,922)	(16,382)
Total restricted funds	20	32,277	38,376
Unrestricted income funds	20	629	646
Total funds		32,906	39,022

THOMAS DEACON EDUCATION TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 05090788

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021

The financial statements on pages 30 to 70 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



Dr R Barnes
Chairman

Date: 13th December 2021

The notes on pages 37 to 70 form part of these financial statements.

THOMAS DEACON EDUCATION TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 05090788

TRUST BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £000	2020 £000
Fixed assets			
Tangible assets	14	51,347	53,236
Investments	15	1	1
		<u>51,348</u>	<u>53,237</u>
Current assets			
Stocks	16	182	219
Debtors	17	1,007	1,333
Cash at bank and in hand		5,962	3,890
		<u>7,151</u>	<u>5,442</u>
Creditors: amounts falling due within one year	18	(2,603)	(2,222)
		<u>4,548</u>	<u>3,220</u>
Net current assets		4,548	3,220
Total assets less current liabilities		55,896	56,457
Creditors: amounts falling due after more than one year	19	(1,044)	(1,044)
Net assets excluding pension liability		54,852	55,413
Defined benefit pension scheme liability	27	(21,922)	(16,382)
Total net assets		32,930	39,031

THOMAS DEACON EDUCATION TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 05090788

TRUST BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021

	Note	2021 £000	2020 £000
Funds of the Trust			
Restricted funds:			
Fixed asset funds	20	52,485	53,818
Restricted income funds	20	1,714	941
		<hr/>	<hr/>
Restricted funds excluding pension liability	20	54,199	54,759
Pension reserve	20	(21,922)	(16,382)
		<hr/>	<hr/>
Total restricted funds	20	32,277	38,377
Unrestricted income funds			
Unrestricted funds excluding pension asset	20	653	654
		<hr/>	<hr/>
Total unrestricted income funds	20	653	654
		<hr/>	<hr/>
Total funds		32,930	39,031
		<hr/> <hr/>	<hr/> <hr/>

The financial statements on pages 30 to 70 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



Dr R Barnes

Chairman

Date: 13th December 2021

The notes on pages 37 to 70 form part of these financial statements.

THOMAS DEACON EDUCATION TRUST
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £000	2020 £000
Cash flows from operating activities			
Net cash provided by operating activities	22	2,025	95
Cash flows from investing activities	23	46	588
Change in cash and cash equivalents in the year		2,071	683
Cash and cash equivalents at the beginning of the year		3,902	3,219
Cash and cash equivalents at the end of the year	24, 25	<u>5,973</u>	<u>3,902</u>

The notes on pages 37 to 70 form part of these financial statements

THOMAS DEACON EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies

Thomas Deacon Education Trust is a company limited by guarantee registered in England. The registered office is detailed on page 1 and the principle activity is detailed in the Trustee's Report.

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

The financial statements are prepared in £ sterling, rounded to the nearest £1.

1.1 Basis of preparation of financial statements

The financial statements of the Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The consolidated statement of financial activities (SOFA) and Balance Sheet consolidate the financial statements of the Trust and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Trust has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of financial activities in these financial statements.

1.2 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 Trust 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 Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.3 Income

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

• **Grants**

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

General Annual Grant is recognised in full in the consolidated statement of financial activities in the year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

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

• **Sponsorship income**

Sponsorship income provided to the Trust which amounts to a donation is recognised in the consolidated statement of financial activities in the year in which it is receivable (where there are no performance-related conditions) where receipt is probable and it can be measured reliably.

• **Donations**

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

• **Other income**

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.4 Expenditure

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

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

1.6 Taxation

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.7 Tangible fixed assets

Assets costing £1,500 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 Consolidated 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 Consolidated Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, a transfer is made to the restricted fixed assets fund.

Depreciation is provided on all tangible fixed assets in year of acquisition other than freehold land and assets under construction, at rates calculated to write off the cost of each asset, less their estimated residual value, over its expected useful life as follows:

Depreciation is provided on the following bases:

Leasehold property	- 2% - 3.33% straight line
Furnishings and fittings	- 10% straight line
Furniture and equipment	- 20% straight line
Computer equipment and software	- 33.33% straight line

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

During the year, all assets previously classed as Freehold Property have been reallocated to Leasehold Property.

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

1.8 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.9 Long-term contracts

Surplus on long-term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The surplus included is calculated on a prudent basis to reflect the proportion of the work carried out at the year end, by recording turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs incurred to date bear to total expected costs for that contract. Revenues derived from variations on contracts are recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are first foreseen.

1.10 Debtors

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

1.11 Cash at bank and in hand

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

1.12 Liabilities

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

1.13 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 17. Prepayments are not financial instruments. Amounts due to the Trust's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 18 and 19. 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. Amounts due to the Trust's wholly owned subsidiary are held at face value less any impairment.

1.14 Operating leases

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.15 Pensions

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

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

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

1.16 Agency arrangements

The Academy Trust acts as agent for administering the 16-19 Bursary funds from the ESFA. Transactions are excluded from the Statement of Financial Activities with any unspent funds carried forward in creditors.

1.17 Fund accounting

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

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

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

THOMAS DEACON EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The Trust 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, 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 2021. 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 judgment:

Depreciation - depreciation is charged annually based on management's estimate of economic useful life of the asset per the accounting policies above.

3. Income from donations and capital grants

	Restricted funds	Restricted fixed asset funds	Total funds	Total funds
	2021	2021	2021	2020
	£000	£000	£000	£000
Donations	-	350	350	11
Transfer from local authority on conversion	-	-	-	8,037
Grants	-	891	891	871
Total 2021	-	1,241	1,241	8,919

Donations consists of: free issue student laptops from DfE of £190k, RBA building renovations from Peterborough City Council of £120k, COVID catch-up for student laptops from DfE of £24k and other donations of £16k (2020: £11k).

THOMAS DEACON EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

4. Funding for the academy's educational operations

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
DfE/ESFA grants				
General Annual Grant (GAG)	-	28,392	28,392	24,719
Other DfE/ESFA grants				
Teachers' pay and pension grant	-	1,309	1,309	1,105
Pupil Premium	-	1,718	1,718	1,564
Other DfE/ESFA grants	-	1,432	1,432	1,286
	<u>-</u>	<u>32,851</u>	<u>32,851</u>	<u>28,674</u>
Other Government grants				
Local authority grants	-	2,375	2,375	1,244
	<u>-</u>	<u>2,375</u>	<u>2,375</u>	<u>1,244</u>
COVID-19 additional funding (DfE/ESFA)				
Catch-up Premium	-	227	227	-
	<u>-</u>	<u>227</u>	<u>227</u>	<u>-</u>
COVID-19 additional funding (non-DfE/ESFA)				
Coronavirus Job Retention Scheme grant	68	-	68	118
	<u>68</u>	<u>-</u>	<u>68</u>	<u>118</u>
	<u>68</u>	<u>35,453</u>	<u>35,521</u>	<u>30,036</u>
Total 2020	<u><u>118</u></u>	<u><u>29,918</u></u>	<u><u>30,036</u></u>	

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the group's funding for Teachers' Pension Grant and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

The academy received £227k of funding for catch-up premium and costs incurred in respect of this funding totalled £227k. Income totaling £176k has been deferred to 2022.

The academy furloughed various catering staff, before and after school club staff and nursery staff under

THOMAS DEACON EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

4. Funding for the academy's educational operations (continued)

the government's CJRS. Funding received of £68,302 included within Other Restricted Grants relates to staff costs in respect of 37 staff.

5. Income from other trading activities

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Sales from Academy shop	205	-	205	154
School Trips	15	-	15	27
Catering	368	-	368	414
Subsidiary trading	15	-	15	90
Other	319	46	365	393
Total 2021	922	46	968	1,078

6. Investment income

	Unrestricted funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Investment income	1	1	5

THOMAS DEACON EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

7. Expenditure

	Staff Costs	Premises	Other	Total	Total
	2021	2021	2021	2021	2020
	£000	£000	£000	£000	£000
Expenditure on fundraising trading activities:					
Direct costs	-	-	372	372	310
Educational operations:					
Direct costs	24,034	2,734	1,521	28,289	24,694
Allocated support costs	6,126	1,298	4,349	11,773	11,124
Total 2021	<u>30,160</u>	<u>4,032</u>	<u>6,242</u>	<u>40,434</u>	<u>36,128</u>
Total 2020	<u>26,001</u>	<u>4,351</u>	<u>5,776</u>	<u>36,128</u>	

8. Analysis of expenditure by activities

	Activities	Support	Total	Total
	undertaken	costs	funds	funds
	directly	2021	2021	2020
	2021	£000	£000	£000
	£000	£000	£000	£000
Direct costs	<u>28,289</u>	<u>11,773</u>	<u>40,062</u>	<u>35,818</u>

THOMAS DEACON EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2021 £000	Total funds 2020 £000
Pension cost	294	265
Staff costs	6,126	5,910
Legal costs	17	19
Pay re-organisational costs	168	43
Equipment maintenance	1,893	1,723
Rent and rates	194	199
Other support costs	663	598
Governance	219	351
Technology costs	226	214
Catering	651	681
Transport	99	40
Insurance	119	102
Heat and light	476	464
Cleaning	628	390
Security	-	11
Donations	-	114
	11,773	11,124

9. Net (expenditure)/income

Net (expenditure)/income for the year includes:

	2021 £000	2020 £000
Operating lease rentals	116	103
Depreciation of tangible fixed assets	2,734	3,295
Fees paid to auditors for:		
- audit	35	34
- other services	4	3

THOMAS DEACON EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	Group 2021 £000	Group 2020 £000	Trust 2021 £000	Trust 2020 £000
Wages and salaries	20,970	18,473	20,970	18,473
Social security costs	1,802	1,576	1,802	1,576
Pension costs	6,346	5,388	6,346	5,388
	29,118	25,437	29,118	25,437
Agency staff costs	1,042	564	1,042	564
Staff restructuring costs	104	48	104	48
	30,264	26,049	30,264	26,049

b. Non-statutory/non-contractual staff severance payments

Included in staff restructuring costs is three non-statutory/non-contractual severance payments totalling £47,500 (2020: £23,689). Individually, these payments were £5,000, £22,500 and £20,000.

c. Staff numbers

The average number of persons employed by the Group and the Trust during the year was as follows:

	Group 2021 No.	Group 2020 No.
Teachers	338	308
Administration and support	481	440
Management	3	3
	822	751

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

10. Staff (continued)

c. Staff numbers (continued)

The average headcount expressed as full-time equivalents was:

	Group 2021 No.	Group 2020 No.
Teachers	314	288
Administration and support	314	286
Management	3	3
	631	577

d. Higher paid staff

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

	Group 2021 No.	Group 2020 No.
In the band £60,001 - £70,000	11	7
In the band £70,001 - £80,000	3	2
In the band £80,001 - £90,000	4	3
In the band £90,001 - £100,000	-	1
In the band £100,001 - £110,000	1	-
In the band £110,001 - £120,000	-	1
In the band £120,001 - £130,000	1	-
In the band £130,001 - £140,000	-	1
In the band £140,001 - £150,000	1	-

e. Key management personnel

The key management personnel of the Trust comprise the principals and the executive group listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Trust was £1,306,644 (2020: £1,116,629).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

11. Central services

The Group has provided the following central services to its academies during the year:

- Finance
- Facilities and estate management
- Human resources and organisational development
- Information technology services

The Group charges for these services on the following basis:

The Trust charges for these services based on a percentage of GAG income, ranging from 5.5% to 7.5%. Also this year, costs that have previously fallen within the budgets of individual schools, are now included within the central budget. These amounts have then been recharged to the individual schools based on their share.

The actual amounts charged during the year were as follows:

	2021	2020
	£000	£000
Thomas Deacon Academy	2,911	540
Gladstone Primary Academy	531	132
Queen Katharine Academy	909	269
Upwood Primary Academy	122	33
Welbourne Primary Academy	190	43
Warboys Primary Academy	206	48
Richard Barnes Academy	459	39
Total	5,328	1,104

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

12. 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 Trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2021	2020
		£000	£000
Mrs Julie Taylor (CEO/Trustee), resigned 31 August 2021	Remuneration	145 - 150	135 - 140
	Pension contributions paid	30 - 35	30 - 35
Mr Simon Smith (Staff Director), resigned 6 June 2021	Remuneration	65 - 70	85 - 90
	Pension contributions paid	10 - 15	15 - 20

During the year ended 31 August 2021, travel and subsistence expenses totalling £NIL were reimbursed or paid directly to no Trustees (2020 - £791 to 2 Trustees).

13. Trustees' and Officers' insurance

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

14. Tangible fixed assets

Group and Trust

	Leasehold property £000	Assets under construc- tion £000	Furniture and fixtures £000	Office equipment £000	Computer equipment £000	Total £000
Cost or valuation						
At 1 September 2020	65,135	365	15,978	2,981	4,435	88,894
Additions	-	-	242	90	514	846
At 31 August 2021	<u>65,135</u>	<u>365</u>	<u>16,220</u>	<u>3,071</u>	<u>4,949</u>	<u>89,740</u>
Depreciation						
At 1 September 2020	14,016	24	14,396	2,884	4,338	35,658
Charge for the year	1,511	8	918	54	243	2,734
At 31 August 2021	<u>15,527</u>	<u>32</u>	<u>15,314</u>	<u>2,938</u>	<u>4,581</u>	<u>38,392</u>
Net book value						
At 31 August 2021	<u><u>49,608</u></u>	<u><u>333</u></u>	<u><u>906</u></u>	<u><u>133</u></u>	<u><u>368</u></u>	<u><u>51,348</u></u>
At 31 August 2020	<u><u>51,119</u></u>	<u><u>341</u></u>	<u><u>1,582</u></u>	<u><u>97</u></u>	<u><u>97</u></u>	<u><u>53,236</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
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15. Fixed asset investments

Trust	Trade investments £000
Cost	
At 31 August 2021	<u>1</u>
Net book value	
At 31 August 2021	<u>1</u>
At 31 August 2020	<u>1</u>

The academy holds 1,000 ordinary shares of £1 in TDA Developments Limited.

16. Stocks

	Group 2021 £000	Group 2020 £000	Trust 2021 £000	Trust 2020 £000
Catering	15	13	15	13
Uniforms	141	171	141	171
Finished goods and goods for resale	19	28	19	28
Stationery	7	7	7	7
	<u>182</u>	<u>219</u>	<u>182</u>	<u>219</u>

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NOTES TO THE FINANCIAL STATEMENTS
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17. Debtors

	Group 2021 £000	Group 2020 £000	Trust 2021 £000	Trust 2020 £000
Due within one year				
Trade debtors	184	49	180	285
Amounts owed by group undertakings	-	-	21	24
Other debtors	4	6	2	5
Prepayments and accrued income	738	824	737	824
VAT repayable	67	195	67	195
	<u>993</u>	<u>1,074</u>	<u>1,007</u>	<u>1,333</u>

18. Creditors: Amounts falling due within one year

	Group 2021 £000	Group 2020 £000	Trust 2021 £000	Trust 2020 £000
Trade creditors	693	817	693	1,072
Other creditors	85	104	85	103
Accruals and deferred income	1,845	1,062	1,825	1,047
	<u>2,623</u>	<u>1,983</u>	<u>2,603</u>	<u>2,222</u>

Deferred income

	Group 2021 £000	Group 2020 £000	Trust 2021 £000	Trust 2020 £000
Deferred income at 1 September	649	509	649	504
Resources deferred during the year	1,092	649	1,092	649
Amounts released from previous periods	(649)	(509)	(649)	(504)
	<u>1,092</u>	<u>649</u>	<u>1,092</u>	<u>649</u>

Deferred income comprises Universal Free School Meals Funding of £84k (2020: £99k), Covid-19 catch-up premium of £175k (2020: £nil), Trip income of £13k (2020: £16k), GAG funding of £284k (2020: £96k), Rates Relief of £115k (2020: £113k), Project Grant Income of £259k (2020: £192k) and Other Income of £162k (2020: £133k).

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NOTES TO THE FINANCIAL STATEMENTS
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19. Creditors: Amounts falling due after more than one year

	Group 2021 £000	Group 2020 £000	Trust 2021 £000	Trust 2020 £000
Government grants received in advance	1,044	1,044	1,044	1,044

Included in the above loans is £444k which is due in over 5 years.

20. Statement of funds

	Balance at 1 September 2020 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2021 £000
Unrestricted funds						
Unrestricted funds	646	991	(1,008)	-	-	629
Restricted general funds						
General Annual Grant (GAG)	871	29,258	(27,634)	(1,026)	-	1,469
Pupil Premium	-	1,718	(1,718)	-	-	-
Teachers pension grant	-	1,141	(1,141)	-	-	-
Catch-up premium	-	403	(227)	-	-	176
Sponsor funds	69	-	-	-	-	69
Other government grants	-	2,979	(3,845)	866	-	-
Pension reserve	(16,382)	-	(2,127)	-	(3,413)	(21,922)
	(15,442)	35,499	(36,692)	(160)	(3,413)	(20,208)

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

20. Statement of funds (continued)

Restricted fixed asset funds						
Restricted fixed asset funds	53,236	350	(2,734)	495	-	51,347
Unspent capital grants	582	891	-	(335)	-	1,138
	53,818	1,241	(2,734)	160	-	52,485
Total Restricted funds	38,376	36,740	(39,426)	-	(3,413)	32,277
Total funds	39,022	37,731	(40,434)	-	(3,413)	32,906

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

- (i) Unrestricted funds are for charitable expenditure at the discretion of the Trustees.
- (ii) The DfE/ESFA and other capital grants fund comprises fixed assets funded by government grants or sponsors.
- (iii) The Other Restricted Grant Fund is the residual private sponsorship, together with accumulated interest, and will be used to fund future projects at the direction of the sponsors.
- (iv) The defined benefit pension scheme relates to the pension deficit arising on the LGPS pension scheme. The fund is in deficit but given the nature of the liability this is not payable immediately and plans are in place to meet the deficit such that it is not a constraint on the funds going forward.
- (v) The transfer of £160k from restricted funds to restricted fixed asset funds represents amounts capitalised during the period.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2021.

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

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

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Gains/ (Losses) £000	Balance at 31 August 2020 £000
Unrestricted funds					
Unrestricted funds	516	1,143	(1,013)	-	646
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted general funds					
General Annual Grant (GAG)	834	30,124	(30,087)	-	871
Sponsor funds	69	-	-	-	69
Pension reserve	(13,435)	(763)	(1,730)	(454)	(16,382)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	(12,532)	29,361	(31,817)	(454)	(15,442)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted fixed asset funds					
Restricted fixed asset funds	47,583	9,533	(3,298)	-	53,818
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Restricted funds	35,051	38,894	(35,115)	(454)	38,376
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total funds	35,567	40,037	(36,128)	(454)	39,022
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

20. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

	2021	2020
	£000	£000
Thomas Deacon Academy - restricted	(769)	(730)
Thomas Deacon Academy - unrestricted	3,247	2,208
Gladstone Primary Academy - restricted	1,563	1,286
Gladstone Primary Academy - unrestricted	(655)	(455)
Queen Katharine Academy - restricted	544	(329)
Queen Katharine Academy - unrestricted	(1,434)	(902)
Upwood Primary Academy - restricted	321	298
Upwood Primary Academy - unrestricted	(107)	(70)
Warboys Primary Academy - restricted	22	87
Warboys Primary Academy - unrestricted	(77)	(36)
Welbourne Primary Academy - restricted	297	166
Welbourne Primary Academy - unrestricted	(118)	(61)
Richard Barnes Academy - restricted	(263)	164
Richard Barnes Academy - unrestricted	(228)	(41)
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	2,343	1,585
Restricted fixed asset fund	52,485	53,818
Pension reserve	(21,922)	(16,382)
	<hr/>	<hr/>
Total	32,906	39,021
	<hr/> <hr/>	<hr/> <hr/>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

20. Statement of funds (continued)

Total cost analysis by academy

Expenditure incurred by each academy during the year was as follows:

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2021 £000	Total 2020 £000
Thomas Deacon Academy	9,211	5,220	133	2,293	16,857	15,154
Gladstone Primary Academy	2,559	284	53	488	3,384	3,436
Queen Katharine Academy	5,960	538	325	2,890	9,713	9,263
Upwood Primary Academy	687	60	17	113	877	906
Warboys Primary Academy	1,064	84	31	229	1,408	1,406
Welbourne Primary Academy	1,016	73	9	230	1,328	1,433
Richard Barnes Academy	3,182	223	114	614	4,133	1,290
Trust	23,679	6,482	682	6,857	37,700	32,888

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21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000
Tangible fixed assets	-	-	51,347	51,347
Current assets	137	5,874	1,138	7,149
Creditors due within one year	492	(3,116)	-	(2,624)
Creditors due in more than one year	-	(1,044)	-	(1,044)
Pension liability	-	(21,922)	-	(21,922)
Total	629	(20,208)	52,485	32,906

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000
Tangible fixed assets	-	-	53,236	53,236
Current assets	619	3,994	582	5,195
Creditors due within one year	27	(2,010)	-	(1,983)
Creditors due in more than one year	-	(1,044)	-	(1,044)
Pension liability	-	(16,382)	-	(16,382)
Total	646	(15,442)	53,818	39,022

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NOTES TO THE FINANCIAL STATEMENTS
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22. Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2021	2020
	£000	£000
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(2,703)	3,908
Adjustments for:		
Depreciation	2,734	3,298
Capital grants from DfE and other capital income	(891)	(871)
Interest receivable	(1)	(5)
Defined benefit pension scheme cost less contributions payable	1,833	1,465
Defined benefit pension scheme finance cost	294	265
Decrease/(increase) in stocks	37	(58)
Decrease/(increase) in debtors	83	(233)
Increase in creditors	639	225
Net assets and liabilities from local authority on conversion (excluding budget surplus transferred of £164,000)	-	(7,899)
Net cash provided by operating activities	2,025	95

23. Cash flows from investing activities

	Group	Group
	2021	2020
	£000	£000
Interest receivable	1	5
Purchase of tangible fixed assets	(846)	(288)
Capital grants from DfE Group	891	871
Net cash provided by investing activities	46	588

24. Analysis of cash and cash equivalents

	Group	Group
	2021	2020
	£000	£000
Cash in hand and at bank	5,973	3,902
Total cash and cash equivalents	5,973	3,902

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NOTES TO THE FINANCIAL STATEMENTS
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25. Analysis of changes in net debt

	At 1 September 2020 £000	Cash flows £000	At 31 August 2021 £000
Cash at bank and in hand	3,902	2,071	5,973
	<u>3,902</u>	<u>2,071</u>	<u>5,973</u>

26. Capital commitments

	Group 2021 £000	Group 2020 £000	Trust 2021 £000	Trust 2020 £000
Contracted for but not provided in these financial statements	<u>288</u>	<u>154</u>	<u>288</u>	<u>154</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

27. Pension commitments

The 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 Hymans Robertson LLP. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

The Teachers' Pension Budgeting and Valuation Account

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

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

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.

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27. Pension commitments (continued)

The employer's pension costs paid to TPS in the year amounted to £2,897,000 (2020 - £2,627,000).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £1,964,000 (2020 - £1,662,000), of which employer's contributions totalled £1,551,000 (2020 - £1,296,000) and employees' contributions totalled £ 413,000 (2020 - £366,000). The agreed contribution rates for future years are 22.0 per cent for employers and 5.5 - 12.5 per cent for employees.

As described in note the LGPS obligation relates to the employees of the Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Trust at the balance sheet date.

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

	2021	2020
	%	%
Rate of increase in salaries	3.40	2.80
Rate of increase for pensions in payment/inflation	2.90	2.30
Discount rate for scheme liabilities	1.65	1.70
Commutation of pensions to lump sums	25.0	25.0

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27. Pension commitments (continued)

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

	2021	2020
	Years	Years
Retiring today		
Males	22.2	22.0
Females	24.4	24.0
Retiring in 20 years		
Males	23.2	22.7
Females	26.2	25.5

Share of scheme assets

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

	2021	2020
	£000	£000
Equities	18,980	15,532
Corporate bonds	4,816	2,441
Property	3,966	3,328
Cash and other liquid assets	567	888
Total market value of assets	28,329	22,189

The actual return on scheme assets was £4,578,000 (2020 - £281,000).

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

	2021	2020
	£000	£000
Current service cost	(3,359)	(2,724)
Past service cost	(25)	(37)
Interest income	390	371
Interest cost	(684)	(636)
Total amount recognised in the Consolidated Statement of Financial Activities	(3,678)	(3,026)

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27. Pension commitments (continued)

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

	2021	2020
	£000	£000
At 1 September	38,570	32,984
Interest Cost	684	636
Changes in financial assumptions re Welbourne, Warboys and Richard Barnes	-	(1,042)
Transferred from Richard Barnes	-	2,917
Employee contributions	413	366
Actuarial losses	7,601	364
Benefits paid	(401)	(416)
Current service cost	3,359	2,724
Past service costs	25	37
	<u>50,251</u>	<u>38,570</u>

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

	2021	2020
	£000	£000
At 1 September	22,188	19,549
Transferred from Richard Barnes	-	1,112
Interest income	390	371
Actuarial gains/(losses)	4,188	(90)
Employer contributions	1,551	1,296
Employee contributions	413	366
Benefits paid	(401)	(416)
	<u>28,329</u>	<u>22,188</u>

The amounts recognised in the Balance Sheet are as follows:

	2021	2020
	£000	£000
Present value of funded obligations	(50,251)	(38,570)
Fair value of scheme assets	28,329	22,188
	<u>(21,922)</u>	<u>(16,382)</u>

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	2021	2020
	£000	£000
Total remeasurements recognised in Other Comprehensive Income:		
Changes in financial assumptions	(7,799)	(439)
Changes in demographic assumptions	(351)	80
New school	-	(1,042)
Other remeasurements	4,737	947
	(3,413)	(454)

28. Operating lease commitments

At 31 August 2021 the Group and the Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021	2020
	£000	£000
Not later than 1 year	39	62
Later than 1 year and not later than 5 years	68	16
	107	78

29. Other financial commitments

Queen Katharine Academy is a PFI school (Private Finance Initiative - a procurement method that uses private school sector investment to deliver public sector services). Therefore, Queen Katharine Academy have a PFI agreement that approximately £1.3 million will be made available each year for the services provided. Based on an expected inflationary rate of 2.5% (2020 - 2.5%) per year the commitment is expected to be;

	2021	2020
	£000	£000
Within 1 year	1,483	1,432
Between 1 and 5 years	6,313	6,096
After more than 5 years	20,948	22,355
	28,744	29,883

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NOTES TO THE FINANCIAL STATEMENTS
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30. 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

31. Related party transactions

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

During the year the Trust transacted with Schools of Tomorrow Community Interest Company to deliver training and appraisal services that are used by the majority of academies in the Peterborough locality. During the year the Trust has been charged £6,055 (2020: £3,655) for services during the year.

Membership fees are paid to the CIC in respect of services provided, the membership being based on a flat fee and an additional £1 per pupil. £6,055 (2020: £2,575) was paid by the Trust to the CIC in the year.

During the year the Trust made a donation of £120 (2020: £nil) to the CCFA for TDA and QKA combined cadet force contingents.

The transactions were conducted at arm's length, based on discussions with the trustees on the appropriate use of training and appraisal services. The CEO (resigned 31 August 2021) was not involved in these considerations. The CEO does not gain any benefit from her directorship of the CIC nor the fees paid by this Trust. The transaction was undertaken in accordance with the Trust's financial regulations and normal procurement procedures related to connected and related party transactions.

One of the Trustees is a related party of IQRA Academy to which pupils have been transferred. During the year, the Trust paid £nil (2020: £2,850) in relation to the transfer of related pupil funds to IQRA Academy. The arrangements are applicable to all transferring schools. The trustee was not involved in the discussions relating to the transfer arrangements, which were conducted on the same terms as all other academies. Furthermore the Trust received £nil (2020: £163) from IQRA Academy for use of its minibus.

During the year £4,900 (2020: £nil) was paid to Inspire Education Group which is linked with Peterborough Regional College where a Trustee was a Governor. This was for a course fee relating to one student for the 20/21 academic year. The Trustee was not involved in the discussions relating to the cost of this course, which is conducted on the same terms as with all other academies.

Hayley Copas is employed at Thomas Deacon Education Trust. Hayley Copas' husband is Scott Hudson, the Director of Education of Thomas Deacon Education Trust.

Scott Hudson has no involvement in determining the consideration paid to Hayley Copas. Payments on the agreed pay scale for the role made were on normal commercial terms at the same rates as those for other staff in similar roles. There were no amounts outstanding at the balance sheet date.

Certain trustees' remuneration and expenses are disclosed in note 12.

THOMAS DEACON EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

32. Principal Subsidiaries

Subsidiary name	TDA Development Limited
Company registration number	06435213
Basis of control	
Equity shareholding %	100%
Total assets as at 31 August 2021	£18,296
Total liabilities as at 31 August 2021	£37,442
Total equity as at 31 August 2021	£(19,146)
Turnover for the year ended 31 August 2021	£14,978
Expenditure for the year ended 31 August 2021	£(25,042)
Loss for the year ended 31 August 2021	£(10,062)