

Company registration number 05090788 (England and Wales)

THOMAS DEACON EDUCATION TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2023

THOMAS DEACON EDUCATION TRUST

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THOMAS DEACON EDUCATION TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

Mr I Clarkson (Resigned 23 November 2022)
Mr M Delap
Mr D Goldspink
Mr A Peters
Mr I Wigston

Trustees

Dr R Barnes
Prof B Barker (Resigned 2 May 2023)
Mr D Bridger (Appointed 13 October 2022)
Ms K Hall
Dr L Jones (Appointed 13 October 2022)
Mr M Mavani
Mr M Potter (Chair)
Mr S Rehman (Resigned 25 September 2023)
Mr E Winstone (Resigned 13 July 2023)
Dr M Wright (Appointed 6 November 2023)

Executive group

- Chief Executive Officer
- Director of Resources
- Director of Standards & Improvement
- Executive Leader

Mr S Hudson
Mr A Stevens
Mrs J Brassington
Mr R Carroll (Appointed 1 April 2023)

Company secretary

Mr A Stevens

Company registration number

05090788 (England and Wales)

Principal and registered office

The Thomas Deacon Academy
Queen's Gardens
Peterborough
Cambridgeshire
PE1 2UW
United Kingdom

Academies operated

Thomas Deacon Academy
Gladstone Primary Academy
Queen Katharine Academy
Upwood Primary Academy
Welbourne Primary Academy
Warboys Primary Academy
Richard Barnes Academy

Location

Peterborough
Peterborough
Peterborough
Cambridgeshire
Peterborough
Cambridgeshire
Peterborough

Principal

E Gaunt
S Martin
L Mayes
A Woolner
T Lawson
R Ford
C Everton

Independent auditor

Azets Audit Services
Ruthlyn House
90 Lincoln Road
Peterborough
Cambridgeshire
PE1 2SP
United Kingdom

THOMAS DEACON EDUCATION TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Lloyds Bank
65 High Street
Stamford
Lincolnshire
PE9 2AT
United Kingdom

Solicitors

Browne Jacobson LLP
Mowbray House
Castle Meadow Road
Nottingham
NG2 1BJ
United Kingdom

THOMAS DEACON EDUCATION TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

The trustees present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a trustees' report, and a directors' report and strategic report under company law.

The Trust operates 7 academies and 1 nursery for pupils aged 0-19 serving a catchment area in Peterborough and North Cambridgeshire. One academy includes pre-school provision. It has a pupil capacity of 6,035 and had a roll of 5,320 in the school census on 7 October 2022.

The academies are:

Gladstone Primary Academy (2-11)
Queen Katherine Academy (11-18)
Richard Barnes Academy (5-16)
Thomas Deacon Academy (7-19)
Upwood primary Academy (4-11)
Warboys Primary Academy (4-11)
Welbourne Primary Academy (4-11)

The nursery is:

Welbourne Primary Academy Nursery

Structure, governance and management

Constitution

The Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Trust.

The charitable company operates as Thomas Deacon Education Trust (TDET).

The trustees of Thomas Deacon Education Trust are also the directors of the charitable company for the purposes of company law. Details of the trustees who served during the year, and to the date these accounts are approved, are included in the Reference and Administrative Details on page 1. 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.

Members' liability

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

Trustees' indemnities

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

THOMAS DEACON EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Method of recruitment and appointment or election of 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.

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 2023, and served throughout the year, except where shown, are listed on Page 1.

During the year under review, the Trust Board held 5 regular meetings, as well as 4 Resources Committee and 4 Education Committee meetings.

Policies and procedures 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.

Organisational structure

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

- Trust Board
- Resources Committee
- Education Committee
- 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 on 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 Standards & Improvement, the Director of Resources, and the Executive Lead 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 welfare of students.

THOMAS DEACON EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Arrangements for setting pay and remuneration of key management personnel

The Trust has a Teachers and Executive Pay Policy, and a Non-Teaching Staff Pay Policy, which outline 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 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.

Trade union facility time

Relevant Union Officials

| Number of employees who were relevant union officials during the year | Full-time equivalent employee number |
|---|--------------------------------------|
| 0 | 0 |

Percentage of time spent on trade union facility time

N/A

Percentage of pay bill spent on facility time

N/A

Related parties and other connected charities and organisations

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 2023 the subsidiary recorded a profit of £18,770. Further details regarding the subsidiary company are given in note 32 of the financial statements.

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.

Objectives and activities

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**").

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 each 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.

THOMAS DEACON EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Strategies and activities

2022/23 was the first year of a 3-year strategic plan developed by the new Chief Executive in conjunction with Trustees. The vision and mission is defined as:

Vision: To be one of the leading multi academy trusts in the country.

Mission: To provide a truly world class education to all of our learners.

At the heart of this vision was the absolute intention that our academies work closely together, taking part in real and meaningful collaborations between teachers, learners and other key partners including parents, business, and other education providers. We must value our local communities and actively encourage our schools and staff to share best practice to benefit all learners within each local area.

The vision comprises of three strategic intents:

- A world class education Provision gives the environment and conditions for all TDET learners (regardless of starting point) to be the best they can be and offer choice for the future. A world class education empowers children to change the(ir) future, to shape society and benefit the world.
- We develop meaningful and high-leverage Partnerships that actively and directly support our goals as a strong Multi Academy Trust.
- We attract, engage and enable People through inspirational leadership which facilitates a positive, ambitious and supportive culture and supports TDET in becoming an 'Employer of Choice'.

Academy Improvement Plans and other Business Plans are focused on these areas to support the delivery of these strategic intents and during the year, trustees received updates in relation to these intents and agreed milestones and performance indicators.

Objectives, strategies and activities

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

1. Provision

At the heart of our provision is our research and evidence informed education improvement strategy. This consists of 5 focus areas – behaviour, curriculum, reading, SEND and ambition – which articulate what success for our learners and academies looks like. Aligned to our focus areas, our education frameworks provide a set of elements which allow us to enhance key aspects of provision and to codify our shared language and systems as the 'TDET way'.

Our systems and processes for educational improvement enable us to have:

- A deep understanding of our academy's strengths and needs.
- An adaptation of approach to individual academy context reflected in the individual 3-year strategic plan and Framework Response Plan (FRP).
- Collaborative practice (within and beyond the Trust) to develop and utilise expertise and capacity (encompassing our Trust wide Partnership and People strategies).
- Strategic and responsive development and deployment of expertise.
- Impactful governance.
- Evaluation of impact.

2. Partnerships

Any partnership will come at a cost, whether this is in actual financial terms or as a cost in kind eg staff time. A range of partnerships already exist at trust level as well as within our individual academies and it is important that we evaluate these to ensure that they deliver good 'value for money' alongside exploring new partnerships that will meet the new goals we have set ourselves.

THOMAS DEACON EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

3. People

At the heart of our people strategy is the concept of Continuous Development which is a person centred approach where employees take ownership of their own development. We will invest in people and encourage open and honest communication. Employees will be motivated to achieve the best outcomes for themselves, the teams they work in and the young people around them. We will provide employees with learning and development opportunities to be creative and dynamic professionals in their fields so that we will have the right people with the right skills, knowledge and experience who are effectively led and organised to deliver TDET's strategy, both now and in the future.

Alongside our approach to continuous development is a desire to ensure that our leaders and potential leaders are empowered at all levels. We will develop the leadership skills of current leaders, identify and develop new leaders, and equip them with the skills and knowledge to be effective in their roles.

We want our recruitment processes to be among the very best in the sector, giving candidates at all levels a positive experience in their interactions with our Trust and to effectively recruit the right quantity and quality of staff needed to support the achievement of our strategic objectives.

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

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.

Strategic report

Achievements and performance

Achievements and performance

This reporting period marked the return to a more normal pattern of education for the learners and staff at TDET. Outcomes data for 2023, should be taken with a note of caution, our learners are still impacted by the effects of the Covid-19 pandemic and this has affected different academies and learners in different ways.

- 2023 saw the completion of a full suite of external assessments and examinations at Early Years, Key Stage 1, Key Stage 2 and for GCSEs, A-levels and vocational post-16 qualifications.
- Progress and attainment data for Key Stage 1 (attainment only), Key Stage 2, GCSE and post-16 (attainment only) will be published on the Government's Compare School and College Performance website.
- No progress data for post-16 is available for 2023 (the GCSE outcomes for this cohort were determined by Teacher Assessed Grades).
- For our Key Stage 5 learners, this was their first experience of formal examinations since completing Year 6 SATS in 2016.
- In 2023, the government made the decision to return to pre-pandemic grading for GCSE and A-level examinations. This led to some volatility in A-level results (in particular) across the country with an identified drop in the top grades; a similar pattern was evident in the GCSE results. Results in 2019 were significantly lower than in 2022 and more in line with those seen in 2019.
- This year saw the development of TDET's education strategy and linked to this the further refinement of the TDET Education Improvement Model.
- In April 2023, following a rigorous recruitment process, Rick Carroll was appointed as Interim Executive Lead and joined the Executive Team alongside the CEO, Director of Resources, Director of Standards and Improvement.

THOMAS DEACON EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

- Following the appointment of the new Executive Lead, an executive link model (as part of the Education Improvement Model) has been established. The Director of Standards and Improvement (Jenny Brassington) provides executive support to Queen Katharine Academy, Upwood Primary Academy, Warboys Primary Academy and Welbourne Primary Academy. Our Executive Leader (Rick Carroll) provides executive support to Gladstone Primary Academy, Richard Barnes Academy and Thomas Deacon Academy.
- During this reporting period, networks (now Communities for Improvement) have been set up to support teaching, learning, assessment and progress in Key Stage 2 English, Key Stage 1 English and early reading/phonics and primary mathematics. We also established and formalised Principals' Round Table meetings.
- Two cross-Trust thematic reviews were conducted during this reporting period, one into behaviour across TDET and the other looking at SEN provision.
- Using DfE methodology, we have calculated a TDET average progress 8 score and average progress scores for KS2. Cross Trust average data indicates an average P8 score of -0.14 and average KS2 progress scores of -0.73 (reading), 0.38 (writing), -0.95 (maths). Progress scores go from -5 to +5, and national averages are very close to zero, as progress scores are relative measures.
- There were three Ofsted visits during this reporting period. In October 2022 Welbourne Primary Academy Nursery and Upwood Primary Academy both achieved overall gradings of Good in fully graded inspections. Warboys Primary Academy was subject to an ungraded inspection in March, where it retained the Good grading.
- Throughout this report outcomes at KS1 and KS2 relate to the proportions of pupils making expected progress.

Gladstone Primary Academy

- Gladstone Primary Academy (GPA) has continued to benefit from a period of relative stability since joining TDET with the Principal and significant section of the SLT having been in post for that duration.
- For KS1 outcomes, it is recognised that this is lower than predictions, and the Academy was disappointed about results. Results were reviewed results – key marginal children did not have crucial pieces of evidence to support expected judgement. Student mobility has been a factor, with 51% mobility in the year to date. Core data is stronger, 46 children since the beginning of Reception with reading at 63%, Maths at 63% and writing at 39%
- For KS2 outcomes, Power Maths and Literacy pedagogy has now been fully embedded and the results of which are indicated through improved outcomes.
- Following significant improvements in their Key Stage 2 outcomes in 2022 outcomes for 2023 continue to be positive and confirm continued improvement .
- Reading attainment at 52% (GD at 14%), writing attainment at 52% (GD at 4%) and maths at 57% (GD at 5%.) Combined at 48%
- Progress scores continue to show positive impact and give context to national attainment outcomes. Reading. Reading progress score at +0.8, Writing progress score at + 2.9 and Maths progress score at +0.1

Queen Katharine Academy

- Queen Katharine Academy (QKA) has seen some changes in leadership during this period. The principal of QKA returned from her secondment at Richard Barnes Academy in April 2023. The Head of School maintained her post from September 2023 to August 2023. In summer 2023, the Principal and Head of School both gained promoted posts in different schools in different Trusts. A new Principal was appointed and he took post from September 2023. The Vice Principal of QKA, also left to take up a post in another Peterborough secondary school. Internal appointments of two temporary vice principals were made in summer 2023.
- The QKA Director of Sixth Form is seconded for one day per week (alongside the TDA post-16 lead) to lead the development of the TDET post-16 offer across both QKA and TDA.

THOMAS DEACON EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

- A TDET review into the high levels of permanent exclusions at QKA was conducted in 2023. This was undertaken alongside Peterborough Local Authority. The review team made a number of recommendations around providing further behaviour support structures for pupils and working more collaboratively with TDA who are experience similar challenges.
- Members of staff at QKA were again nominated and shortlisted for a number of national awards; silver awards in the Pearson Teacher Awards were gained for Outstanding New Teacher and Teacher of the Year. At the TES awards teachers from QKA were nominated for the Subject Leader of the Year and Community Engagement Initiative of the Year; In Wha Kim from QKA won Teaching Assistant of the Year. QKA was also nominated in the Social Mobility Awards for school of the year.

Outcomes at QKA

- QKA saw a continued increase in attainment in English and maths at KS4, this increase bucked the national trend.
- English attainment at grades 5-9 increased by 2%; with a 9% increase at grades 4-9; attainment in maths increased by 2% at grades 5-9 and dropped marginally by 2% compared with 2022. There was a 9% increase in maths attainment compared to 2019. Overall the proportions of learners achieving both English and maths remained level at grades 5-9 (compared to 2023) and increased by 10% at grades 4-9.
- Progress 8 score at QKA has increased by 0.41 to -0.44 (compared with -0.85 in 2022). This is a significant increase.
- At post-16 QKA's outcomes returned close to the levels seen in 2019. 57% of A-level grades sat between A* and C, the proportion of U-grades reduced from 8% down to 2%. In vocational subjects 51.5% of entries achieved a Distinction or Distinction*.

Richard Barnes Academy

- Although there is no KS2 data provided for Richard Barnes Academy, it is worth noting that they had a cohort of six pupils in Year 6. We were pleased that five of those pupils completed their SATs which will give helpful data for a move into mainstream education either now or in the future. None of the six made expected progress but for these learners simply sitting the assessments is an achievement (and they completed all three) .
- At KS4, there were only 35 pupils in the Year 11 cohort:
 - 83% gained at least one accredited exam result;
 - 69% passed a GCSE;
 - 69% were entered for entry level or above in Maths. Of those entered:
 - 100% achieved a Level 2 Food hygiene certificate
 - 100% gained a Level 1 in H&S
 - And there was one Level 4 GCSE Art pass

Thomas Deacon Academy

- Thomas Deacon Academy (TDA) has seen some changes in its Senior Leadership during this period of time. In April 2023, the Principal was successful at securing a temporary post with the TDET Executive Group. Therefore, to ensure capacity is retained at TDA, the Head of School was successful at securing the Acting Principal role. The Head of TDAJ has thanking on additional 'All-Through School' responsibilities. Two other senior middle leaders secured temporary promoted posts to join the SLT
- As at QKA, The TDA Director of Sixth Form is seconded for one day per week (alongside the QKA post-16 lead) to lead the development of the TDET post-16 offer across both QKA and TDA.
- Equally, as with QKA, a focus has been extended to review levels of suspensions and permanent exclusions. As strategy to review and support approaches to behaviour systems and processes, both TDA and QKA have successfully gained a place in the DfE Behaviour Hub programme.

THOMAS DEACON EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Outcomes at TDA Juniors

- Reading attainment at 60% (GD at 12%), writing attainment at 70% (GD at 4%) and maths at 60% (GD at 8%.) Combined at 42%)
- Reading progress score at -2.3, Writing progress score at -0.3 and Maths progress score at -2.8

Outcomes at TDA

- English attainment at grades 5-9 was 51.2% and at grades 4-9 was 69 % . Attainment in maths at grades 5-9 was 33.4% and at grades 4-9 was 56.9% .
- Overall the proportions of learners achieving both English and maths at grades 5-9 was 30% at 4-9 it was 52%.
- Progress 8 score at TDA has remained positive and will be +0.01
- At post-16 TDA's outcomes were not as strong in 2023 as previous years. 55.7 % of A-level grades sat between A* and C; the proportion of passes was 92%. In vocational subjects 39.18% of entries achieved a Distinction or Distinction*.

Upwood Primary Academy

- Upwood Primary Academy (UPA) was subject to an Ofsted inspection (section 5 – graded) in October 2022. The Academy was graded Good in all areas. Inspectors were highly positive about curriculum development at Upwood, the work being done in Early Years and the support that the Academy has received from TDET.
- The Power Maths and Literacy pedagogy were introduced at UPA in October 2022.
- Upwood received support in the first term of 2022-23 from the Head of School at Thomas Deacon Juniors – this provided capacity for the continued curriculum development and the implementation of the Power pedagogy.
- Key Stage 1 outcomes in reading dropped in 2023 from 86% to 61%, there was also an 4% drop (71% to 67%) in maths outcomes. Key Stage 1 outcomes in writing increased from 57% to 65%.
- At Key Stage 2 outcomes in reading and writing both dropped; by 7% for reading (to 64%) and 7% in writing (to 57%). Upwood was subject to moderation for KS2 writing. Outcomes in maths increased by 16% to 71%, which also led to an increase in combined scores to 46% (up 7%). Progress scores at UPA dropped for reading and writing and increased for maths: -0.9, -2.3, -0.9.

Warboys Primary Academy

- Warboys Primary Academy (WPA) was subject to an Ofsted inspection (section 8 – ungraded) in March 2023. Although WPA retains its Good grading, Ofsted felt that "... the evidence gathered suggests that the inspection grade might not be as high if a graded (section 5) inspection were carried out now." As a result, there will be a further graded inspection within one to two years.
- The Principal of WPA gained a promoted post at a different school in a different Trust and left WPA in summer 2023. A new Principal was recruited to begin in September 2023. In addition to this, the Vice Principal began maternity leave in July 2023, a temporary appointment of a Vice Principal has been made from September 2023 to August 2024 to cover this maternity leave. The acting Vice Principal is the Assistant Principal and SENCO from UPA.
- WPA received wider Trust support in spring and summer 2023 from the Head of School at TDA J, the Principal at Upwood and the TDET Early Years Lead visiting the Academy to provide support and capacity.

THOMAS DEACON EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

- Key Stage 1 outcomes in reading and writing dropped in 2023 from 45% to 41% (reading) and from 40% to 20% in writing. There was a 7% increase in maths outcomes to 52%.
- At Key Stage 2 outcomes improved in all areas at WPA with increases of: 2% in reading (to 78%); 11% in writing (to 78%); by 11% in maths (to 82%). The combined score increased by 15% to 71% - this is well above the national average of 59%. Progress scores at WPA improved for reading and maths and declined for writing: 0.9 (reading), -0.5 (writing), -0.3(maths).

Welbourne Primary Academy

- Welbourne Primary Academy (WelPA) saw some staffing changes during this reporting period. A new Vice Principal took post from September 2022, in addition to this the school appointed a Family Liaison Officer. An Assistant SENCO was appointed from January 2023 – this was a member of staff who moved from TDA J to take on this post initially as a professional development opportunity (secondment); this post was made permanent from September 2023.
- Significant behaviour challenges at WelPA existed at points during 2022-23; senior leaders put in place a variety of initiatives and systems to improve behaviour. One pupil was permanently excluded in the summer of 2023 as a result of persistent disruptive and dangerous behaviour.
- Key Stage 1 outcomes in reading improved by 1% to 53%; outcomes in writing and maths dropped by 14% (to 30%) and by 9% (to 43%) respectively. WelPA were subject to KS1 moderation in 2023.
- At Key Stage 2 outcomes improved in all areas. Reading increased by 11% (to 66%); writing by 28% (to 69%); maths by 18% (to 66%) the combined score was 59% - in line with national average. These are significant improvements especially considering that their KS2 pupils who form part of the autism hub and do not usually achieve expected standard. Progress scores at WelPA improved for writing and maths and declined for reading: -2.5 (reading), 0.0 (writing), 0.9(maths).

Going concern

After making appropriate enquiries, the Trust Board has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Trust Board continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

Protecting the success of the academy trust

Under section 172(1)(a) to (f) of the Companies Act 2006, directors of a company must act in a way most likely to promote the success of the company, and in doing so must have regard to:

- the likely consequences of any decision in the long term
- the interest of the company's employees
- the need to foster the company's business relationships with suppliers, customers and others
- the impact of the company's operations on the community and the environment
- the desirability of the company maintaining a reputation for high standards of business conduct
- the need to act fairly as between members of the company

The Trustees are of the opinion that these requirements are consistent with the Objectives, Strategies and Activities of the Trust as set out in the section above.

THOMAS DEACON EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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 2023 and the associated expenditure are shown as restricted funds in the statement of financial activities.

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 2005), 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.

TDET held fund balances at 31 August 2023 of £52,669k comprising of £3,075k restricted funds, a surplus of £791k of unrestricted general funds and a pension reserve deficit of £1,350k.

During the year ended 31 August 2023, total expenditure of £43,558k 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 restricted fixed asset funds) was £170k.

At 31 August 2023 the net book value of fixed assets was £49,768k 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 a decrease of its pension liability of £306k resulting in an overall deficit of £1,350k.

At 31 August 2023 the total funds comprised:

| | |
|-------------------------------|----------|
| Unrestricted | 791k |
| Restricted: Fixed asset funds | 50,153k |
| Pension reserve | (1,350k) |
| Other | 3,075k |

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 2022/23 the Trustees reviewed reserve levels and determined that the appropriate level of revenue reserves should be equivalent to a minimum of 5% of total income of the Trust, which equates to approximately £2,114k. 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 revenue reserves is a surplus of £3,866k which is in line with the Policy.

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.

THOMAS DEACON EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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 that is sufficient to cover immediate and forthcoming financial commitments and sufficient contingency for unexpected payments. This is assumed to be equivalent to at least one month of payroll costs or 5% of annual income, whichever is the higher.

Monies surplus to the working requirements shall be invested in a number of accounts in the name of the Trust with the Investment Policy. These may be higher interest-bearing accounts operated 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.

The Director of Resources has authority to invest funds using an approved investment platform. Any changes in the fees or conditions attached to the platform will be notified to the Resources Committee at the next available meeting, at which point the Committee may withdraw authority to use the platform for any new deposits.

Funds held as custodian

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 2023 was £35,041.

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: Education; Financial; Governance; 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 financial pressures arising from potentially under-funded staff pay awards, high levels of inflation and the funding for Richard Barnes Academy, which is negotiated in year on an annual basis, including cumulative deficits at the Academy that may restrict development opportunities for the Trust as a whole.

Financial and risk management objectives and policies

The Trustees have assessed the major risks to which the Trust is exposed, in particular the financial sustainability of TDET. The Trustees have implemented a number of systems to assess risks that the Trust faces, especially in the operational areas (eg 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 (eg vetting of new staff and visitors, supervision of school grounds) and internal financial controls in order to minimise risk. Where significant financial risk still remains, they have ensured they have adequate insurance cover.

TDET's share of the LGPS valuation, as determined by the actuary, is a total deficit of £1,350k. The Trust continues to pay the recommended contribution to the scheme, as detailed in note 23. 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 2022/23, 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

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Streamlined energy and carbon reporting

TDET manages 7 academies, all with their own gas/oil fuelled boilers, and electricity is purchased (2021/22: 7 academies).

TDET run 5 diesel powered mini-buses, 3 vans, and 1 EV light vehicle.

The Trust pupil numbers as at 7 October 2022 were: 5,320 (2021/22: 5,204).

| UK Greenhouse gas emission and energy use data for period 1 September 2022 to 31 August 2023 | | |
|--|--------------------------------|-------------------------|
| | Current reporting year 2022/23 | Comparison year 2021/22 |
| Energy consumption used to calculate emissions (kWh) | 6,894,782 | 6,558,744 |
| Energy Consumption break Down (kWh) | | |
| • Gas | 4,064,576 | 4,000,887 |
| • Electric | 2,730,731 | 2,525,142 |
| • Transport fuel | 99,475 | 32,715 |
| Scope 1 Emissions in metric tonnes CO2e | | |
| Gas Consumption | 744 | 730 |
| Owned Transport | 17 | 9 |
| Total Scope 1 | 761 | 739 |
| Scope 2 Emissions in metric tonnes CO2e | | |
| Purchased Electricity | 565 | 488 |
| Scope 3 Emissions in metric tonnes CO2e | | |
| Business Travel in employee-owned vehicles | 7 | 6 |
| Total gross emissions in metric tonnes CO2e | 1,333 | 1,233 |
| Intensity ratio Tonnes CO2e per Pupil | 0.25 | 0.24 |

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 2023 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's Strategic Sustainability Steering Group involving key stakeholders across the whole organisation has met during the year to develop a strategy to reduce carbon emissions, in particular considering how to raise awareness of climate change and related issues amongst staff and students.

LED lighting has been installed in all Trust sites during the year, with final elements of the project to be completed in 23/24.

THOMAS DEACON EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

During the summer, works undertaken at Warboys Primary Academy included replacement of some doors and windows in part of the academy, to improve insulation.

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

Plans for future periods

We are a Trust that unites and empowers like-minded academies to achieve the very best for our learners and at the heart of our vision is a profound belief that the Trust as a whole is more than the sum of its parts; This additional value is our Trust Dividend.

It is this profound belief that leads to the culture that we are embedding throughout our organisation, both within and across our academies; one that is rooted in the basis of collaboration not competition. We exist as one organisation sited across multiple campuses but with an understanding that we are stronger together which drives our behaviours and working practices.

Our work over the next 3 years is to deliver our strategic intents and provide a meaningful and demonstrable dividend as we begin to look forward to the next decade for TDET.

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 desire to perform even better and for providing high quality, value for money central services designed to support school improvement and enhanced pupil outcomes.

At the heart of our future work is a commitment to ensure that students are prepared 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, with the use of technology at the heart of what we do.

The Trust has ambitions for growth and currently believes that an optimal size of Trust, allowing it to deliver a significant MAT dividend, is somewhere around 12,000 pupils. Our approach to growth is founded on an agreed set of 5 principles upon which our strategy will be based:

- **Values:** TDET is a values led organisation and any school or Trust joining our organisation will be aligned with our clear moral purpose and commitment to inclusive comprehensive principles.
- **Finance:** Any growth of the Trust must be sustainable and at no point will the Trust risk its entity as a going concern.
- **Location:** TDET academies will be geographically located to enable meaningful collaboration and support and be located such that no individual academy is isolated. Whilst the focus for growth is within the immediate surroundings of Peterborough (1 hour radius), consideration would be given to a geographical cluster of schools further afield.
- **Capacity:** Prior to any growth, the Trust must be clear that it has the capacity to take on new schools/Trusts in order to enable all learners to thrive. This capacity applies to both the Trusts' education and business support services. Additional capacity can be sought through the use of the Trust capacity fund and/or the Trust establishment and growth fund.
- **Type of school/Trust:** TDET is already a diverse community of academies and any further growth would consider a broad profile of schools, covering the 2-18 age range and spectrum of inspection

THOMAS DEACON EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Auditor

In so far as the trustees are aware:

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

Azets Audit Services was appointed auditor to the charitable company. A resolution proposing re-appointment will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the Trust Board, as the company directors, on 13/12/2023 and signed on its behalf by:



Mr M Potter
Chair

THOMAS DEACON EDUCATION TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2023

Scope of responsibility

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

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

The Trust Board has delegated the day-to-day responsibility to the Principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Thomas Deacon Education Trust and the Secretary of State for Education. The accounting officer is also responsible for reporting to the Trust Board any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Trust Board has formally met 5 times during the year. Attendance during the year at meetings of the Trust Board was as follows:

| Trustees | Meetings attended | Out of possible |
|--|-------------------|-----------------|
| Dr R Barnes | 5 | 5 |
| Prof B Barker (Resigned 2 May 2023) | 3 | 3 |
| Mr D Bridger (Appointed 13 October 2022) | 5 | 5 |
| Ms K Hall | 4 | 5 |
| Dr L Jones (Appointed 13 October 2022) | 4 | 5 |
| Mr M Mavani | 5 | 5 |
| Mr M Potter (Chair) | 5 | 5 |
| Mr S Rehman (Resigned 25 September 2023) | 2 | 5 |
| Mr E Winstone (Resigned 13 July 2023) | 4 | 5 |
| Dr M Wright (Appointed 6 November 2023) | 0 | 0 |

Conflicts of interest

Conflicts of interest are declared by trustees and committee members at the start of each meeting, so that any conflicts arising can be managed appropriately. In addition, the Trust maintains a register of interests, which is updated on an annual basis by all trustees, members and key management personnel.

Governance reviews

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. The Trust included a Governance review within its internal audit programme by Duncan & Toplis during the financial year. Across 18 areas tested, no recommendations were made to improve the performance of governance within the Trust.

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:

THOMAS DEACON EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Attendance at meetings in the year was as follows:

| Trustees | Meetings attended | Out of possible |
|--|-------------------|-----------------|
| Mr D Bridger (Appointed 13 October 2022) | 2 | 3 |
| Mr M Mavani | 4 | 4 |
| Mr M Potter (Chair) | 4 | 4 |
| Mr S Rehman (Resigned 25 September 2023) | 3 | 4 |

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:

Attendance at meetings in the year was as follows:

| Trustees | Meetings attended | Out of possible |
|--|-------------------|-----------------|
| Dr R Barnes | 4 | 4 |
| Prof B Barker (Resigned 2 May 2023) | 3 | 3 |
| Ms K Hall | 4 | 4 |
| Dr L Jones (Appointed 13 October 2022) | 2 | 3 |
| Mr M Potter (Chair) | 2 | 4 |
| Mr E Winstone (Resigned 13 July 2023) | 4 | 4 |

Review of value for money

As accounting officer, the Principal 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, as well as estates safety and management, 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 Trust Board where value for money can be improved, including the use of benchmarking data or by using a framework where appropriate. The accounting officer for the academy trust has delivered improved value for money during the year by:

- Insisting that all appropriate financial protocols regarding best value on all contracts are properly followed by relevant staff.
- Clarifying with the Principals of each school that resources are committed where they have the greatest impact upon educational standards for pupils in the school. Encouraging new ways of working across the Trust and involving all schools that can secure economies for all schools and thus maximise the resource available for committing to high quality education.
- Using the resources of the Trust to employ high quality staff with appropriate expertise who can ensure excellent use of resources by schools and support the achievement of very high standards for all pupils in all schools.

Additionally, the Accounting Officer has worked on:

Improving educational outcomes: The Trust has continued to develop strategies to raise educational outcomes for its children and young people by extending its partnership working, through collaboration by sharing skills and expertise cross curricular and cross phase (primary and secondary). Examination and test results have shown improvements in many areas.

Targeted improvement: The deployment of senior staff within and across the Trust to support academies with educational delivery has ensured cost effective ways of supporting improvement. The use of the national tutoring funding has enabled specific support to be targeted to those pupils needing it the most alongside the creation and allocation of in internal improvement fund has allowed initiatives across Trust and within individual academies to take place.

THOMAS DEACON EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Professional development: The Trust has benefited from the further roll out of our continuous development arrangements, placing greater emphasis on a coaching model to support professional learning. Opportunities for leadership development, coaching, changes to curriculum, improving student attainment, health and safety and cyber-security training have been provided in-house or through on-line platforms to achieve good value through financial saving and development and investment in our own staff.

External Collaboration: The Trust continues to engage with other educational providers, including other Multi Academy Trusts the Department for Education, and other sector 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 Curriculum Financial 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.

Centralised services: At point of inception, the Trust implemented a central services model to provide expertise within a number of areas including Estates, ICT, Health and Safety, Finance, Catering and HR. This provides good value through consistency of approach and timely availability of support. This arrangement is regularly reviewed with Principals to demonstrate value for money and is benchmarked against outsourced options.

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.

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 on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Thomas Deacon Education Trust for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and accounts.

THOMAS DEACON EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Capacity to handle risk

The Trust Board has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Trust Board is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Trust Board.

The risk and control framework

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

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

The board of trustees has decided to buy in an internal audit service from Duncan & Toplis. This option has been chosen because it provides cost effective and independent review of the systems and processes of the Trust.

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. Twice per year, the auditor reports to the Board of Trustees through the Resources Committee on the operation of the systems of control and on the discharge of the financial responsibilities of the Board of Trustees. On an annual basis, the auditor prepares a summary report to the Committee outlining the areas reviewed, key findings, recommendations and conclusions to help the Committee consider actions and assess year on year progress. 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 financial management and governance self-assessment process, including the school resource management self-assessment tool;
- the work of the Executive Group within the Trust who have responsibility for the development and maintenance of the internal control framework;
- the work of the external auditor.

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

Approved by order of the Trust Board on 13/12/2023 and signed on its behalf by:



Mr M Potter
Chair

THOMAS DEACON EDUCATION TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE *FOR THE YEAR ENDED 31 AUGUST 2023*

As accounting officer of Thomas Deacon Education Trust, I have considered my responsibility to notify the academy trust Trust Board and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

I confirm that I and the academy trust's 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 academy trust's funding agreement and the Academy Trust Handbook 2022.

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



Mr S Hudson
Accounting Officer

Date: 13/12/2023

THOMAS DEACON EDUCATION TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2023

The trustees (who are also the directors of Thomas Deacon Education Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2022 to 2023 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 accounts for each financial year. Under company law, the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgements 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Trust Board on 13/12/2023 and signed on its behalf by:



Mr M Potter
Chair

THOMAS DEACON EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THOMAS DEACON EDUCATION TRUST

FOR THE YEAR ENDED 31 AUGUST 2023

Opinion

We have audited the accounts of Thomas Deacon Education Trust for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the accounts, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023.

Basis for opinion

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

Conclusions relating to going concern

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

Other information

The other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the accounts 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 accounts 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 accounts 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.

THOMAS DEACON EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THOMAS DEACON EDUCATION TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report, including the incorporated strategic report.

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error. In preparing the accounts, the trustees are responsible for assessing the academy 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 charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

THOMAS DEACON EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THOMAS DEACON EDUCATION TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of senior leadership, Trustees and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations including compliance with the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency;
- Performing audit work over the recognition of grant income and the allocation of expenditure to funds;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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 of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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



Mr Mark Jackson FCA DChA (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

19/12/2023
.....

Chartered Accountants
Statutory Auditor

Ruthlyn House
90 Lincoln Road
Peterborough
Cambridgeshire
United Kingdom
PE1 2SP

THOMAS DEACON EDUCATION TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2023

In accordance with the terms of our engagement letter dated 5 June 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, 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 period 1 September 2022 to 31 August 2023 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 the 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 26 March 2019 and the Academy Trust Handbook, extant from 1 September 2022, 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 2022 to 2023. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the 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 academy trust's income and expenditure.

The work undertaken to draw to our conclusion includes:

- a review of the activities of the academy, by reference to sources of income and other information available to us;
- sample testing of expenditure, including payroll;
- a review of minutes of Trustees' meetings.

THOMAS DEACON EDUCATION TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2023

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Reporting Accountant

Azets Audit Services
Ruthlyn House
90 Lincoln Road
Peterborough
Cambridgeshire
PE1 2SP
United Kingdom

Dated: 19/12/2023

THOMAS DEACON EDUCATION TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

| | Notes | Unrestricted funds £'000 | Restricted funds: General £'000 | Fixed asset £'000 | Total 2023 £'000 | Total 2022 £'000 |
|--|-------|--------------------------------|---------------------------------------|----------------------|------------------------|------------------------|
| Income and endowments from: | | | | | | |
| Donations and capital grants | 3 | 27 | 174 | 1,033 | 1,234 | 803 |
| Charitable activities: | | | | | | |
| - Funding for educational operations | 4 | - | 39,963 | - | 39,963 | 36,986 |
| Other trading activities | 5 | 1,094 | - | - | 1,094 | 1,334 |
| Investments | 6 | 7 | - | - | 7 | 1 |
| Total | | <u>1,128</u> | <u>40,137</u> | <u>1,033</u> | <u>42,298</u> | <u>39,124</u> |
| Expenditure on: | | | | | | |
| Raising funds | 7 | 9 | 129 | - | 138 | 507 |
| Charitable activities: | | | | | | |
| - Educational operations | 9 | 1,055 | 39,902 | 2,463 | 43,420 | 42,057 |
| Total | 7 | <u>1,064</u> | <u>40,031</u> | <u>2,463</u> | <u>43,558</u> | <u>42,564</u> |
| Net income/(expenditure) | | 64 | 106 | (1,430) | (1,260) | (3,440) |
| Transfers between funds | 21 | - | (187) | 187 | - | - |
| Other recognised gains/(losses) | | | | | | |
| Actuarial gains on defined benefit pension schemes | 23 | - | 875 | - | 875 | 23,588 |
| Net movement in funds | | 64 | 794 | (1,243) | (385) | 20,148 |
| Reconciliation of funds | | | | | | |
| Total funds brought forward | | <u>727</u> | <u>931</u> | <u>51,396</u> | <u>53,054</u> | <u>32,906</u> |
| Total funds carried forward | | <u>791</u> | <u>1,725</u> | <u>50,153</u> | <u>52,669</u> | <u>53,054</u> |

THOMAS DEACON EDUCATION TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

| Comparative year information Year ended 31 August 2022 | Notes | Unrestricted | Restricted funds: | | Total |
|---|-------|----------------|-------------------|----------------------|---------------|
| | | funds £'000 | General £'000 | Fixed asset £'000 | 2022 £'000 |
| Income and endowments from: | | | | | |
| Donations and capital grants | 3 | - | - | 803 | 803 |
| Charitable activities: | | | | | |
| - Funding for educational operations | 4 | 1 | 36,985 | - | 36,986 |
| Other trading activities | 5 | 1,273 | 61 | - | 1,334 |
| Investments | 6 | 1 | - | - | 1 |
| Total | | <u>1,275</u> | <u>37,046</u> | <u>803</u> | <u>39,124</u> |
| Expenditure on: | | | | | |
| Raising funds | 7 | - | 507 | - | 507 |
| Charitable activities: | | | | | |
| - Educational operations | 9 | 1,177 | 38,674 | 2,206 | 42,057 |
| Total | 7 | <u>1,177</u> | <u>39,181</u> | <u>2,206</u> | <u>42,564</u> |
| Net income/(expenditure) | | 98 | (2,135) | (1,403) | (3,440) |
| Transfers between funds | 21 | - | (314) | 314 | - |
| Other recognised gains/(losses) | | | | | |
| Actuarial gains on defined benefit pension schemes | 23 | - | 23,588 | - | 23,588 |
| Net movement in funds | | 98 | 21,139 | (1,089) | 20,148 |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | <u>629</u> | <u>(20,208)</u> | <u>52,485</u> | <u>32,906</u> |
| Total funds carried forward | | <u>727</u> | <u>931</u> | <u>51,396</u> | <u>53,054</u> |

THOMAS DEACON EDUCATION TRUST

CONSOLIDATED BALANCE SHEET

AS AT 31 AUGUST 2023

| | | 2023 | 2022 |
|---|-------|---------|---------|
| | Notes | £'000 | £'000 |
| Fixed assets | | | |
| Tangible assets | 14 | 49,768 | 50,395 |
| Current assets | | | |
| Stock | 16 | 43 | 121 |
| Debtors | 17 | 1,496 | 1,078 |
| Investments | | 500 | 250 |
| Cash at bank and in hand | | 5,983 | 6,938 |
| | | 8,022 | 8,387 |
| Current liabilities | | | |
| Creditors: amounts falling due within one year | 18 | (2,927) | (3,028) |
| Net current assets | | 5,095 | 5,359 |
| Total assets less current liabilities | | 54,863 | 55,754 |
| Creditors: amounts falling due after more than one year | 19 | (844) | (1,044) |
| Net assets excluding pension liability | | 54,019 | 54,710 |
| Defined benefit pension scheme liability | 23 | (1,350) | (1,656) |
| Total net assets | | 52,669 | 53,054 |
| Funds of the academy trust: | | | |
| Restricted funds | 21 | | |
| - Fixed asset funds | | 50,153 | 51,396 |
| - Restricted income funds | | 3,075 | 2,587 |
| - Pension reserve | | (1,350) | (1,656) |
| Total restricted funds | | 51,878 | 52,327 |
| Unrestricted income funds | 21 | 791 | 727 |
| Total funds | | 52,669 | 53,054 |

The accounts on pages 28 to 55 were approved by the trustees and authorised for issue on 13/12/2023 and are signed on their behalf by:



Mr M Potter
Chair

Company registration number 05090788 (England and Wales)

THOMAS DEACON EDUCATION TRUST

TRUST BALANCE SHEET

AS AT 31 AUGUST 2023

| | | 2023 | 2022 |
|---|-------|---------------|---------------|
| | Notes | £'000 | £'000 |
| Fixed assets | | | |
| Tangible assets | 14 | 49,768 | 50,395 |
| Investments | 15 | 1 | 1 |
| | | <u>49,769</u> | <u>50,396</u> |
| Current assets | | | |
| Stock | 16 | 43 | 121 |
| Debtors | 17 | 1,499 | 1,094 |
| Investments | | 500 | 250 |
| Cash at bank and in hand | | 5,971 | 6,929 |
| | | <u>8,013</u> | <u>8,394</u> |
| Current liabilities | | | |
| Creditors: amounts falling due within one year | 18 | (2,918) | (3,016) |
| | | <u>5,095</u> | <u>5,378</u> |
| Net current assets | | | |
| | | 5,095 | 5,378 |
| Total assets less current liabilities | | 54,864 | 55,774 |
| Creditors: amounts falling due after more than one year | 19 | (844) | (1,044) |
| | | <u>54,020</u> | <u>54,730</u> |
| Net assets excluding pension liability | | | |
| | | 54,020 | 54,730 |
| Defined benefit pension scheme liability | 23 | (1,350) | (1,656) |
| | | <u>52,670</u> | <u>53,074</u> |
| Total net assets | | | |
| | | 52,670 | 53,074 |
| Funds of the academy trust: | | | |
| Restricted funds | 21 | | |
| - Fixed asset funds | | 50,153 | 51,396 |
| - Restricted income funds | | 3,075 | 2,587 |
| - Pension reserve | | (1,350) | (1,656) |
| | | <u>51,878</u> | <u>52,327</u> |
| Total restricted funds | | | |
| | | 51,878 | 52,327 |
| Unrestricted income funds | 21 | 792 | 747 |
| | | <u>52,670</u> | <u>53,074</u> |
| Total funds | | | |
| | | 52,670 | 53,074 |

The accounts on pages 28 to 55 were approved by the trustees and authorised for issue on 13/12/2023 and are signed on their behalf by:



Mr M Potter
Chair

Company registration number 05090788 (England and Wales)

THOMAS DEACON EDUCATION TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

| | Notes | 2023 £'000 | £'000 | 2022 £'000 | £'000 |
|---|-------|---------------|---------|---------------|-------|
| Cash flows from operating activities | | | | | |
| Net cash provided by operating activities | 24 | | 91 | | 1,671 |
| Cash flows from investing activities | | | | | |
| Dividends, interest and rents from investments | | 7 | | 1 | |
| Capital grants from DfE Group | | 1,033 | | 796 | |
| Purchase of tangible fixed assets | | (1,836) | | (1,264) | |
| Purchase of investments | | (250) | | (250) | |
| Proceeds from sale of tangible fixed assets | | - | | 11 | |
| Net cash used in investing activities | | | (1,046) | | (706) |
| Net (decrease)/increase in cash and cash equivalents in the reporting period | | | (955) | | 965 |
| Cash and cash equivalents at beginning of the year | | | 6,938 | | 5,973 |
| Cash and cash equivalents at end of the year | | | 5,983 | | 6,938 |

THOMAS DEACON EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

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

1.1 Basis of preparation

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

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

1.3 Basis of consolidation

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.

1.4 Income

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

Grants

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

General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable, and any abatement in respect of the period 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 academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the 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.

THOMAS DEACON EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

Other income

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

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the accounts until they are sold. This income is recognised within 'Income from other trading activities'.

Donated fixed assets

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

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

Governance costs

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

THOMAS DEACON EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

1.6 Tangible fixed assets and depreciation

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 that require the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

| | |
|---------------------------|----------------------------|
| Land and buildings | 0.8% - 3.33% straight line |
| Assets under construction | 2% straight line |
| Computer equipment | 33.33% straight line |
| Fixtures & fittings | 10% straight line |
| Office equipment | 20% 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.

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

1.7 Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy trust 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.

1.8 Leased assets

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

1.9 Investments

1.10 Financial instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

THOMAS DEACON EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.11 Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Provision is made for obsolete and slow moving stock.

1.12 Taxation

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

1.13 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. The 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 are recognised in the period to which they relate.

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

1.14 Fund accounting

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

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

THOMAS DEACON EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

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.

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact on 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 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3 Donations and capital grants

| | Unrestricted funds £'000 | Restricted funds £'000 | Total 2023 £'000 | Total 2022 £'000 |
|----------------------|--------------------------------|------------------------------|------------------------|------------------------|
| Donated fixed assets | - | - | - | 7 |
| Capital grants | - | 1,033 | 1,033 | 796 |
| Other donations | 27 | 174 | 201 | - |
| | <u>27</u> | <u>1,207</u> | <u>1,234</u> | <u>803</u> |

THOMAS DEACON EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

4 Funding for the academy trust's educational operations

| | Unrestricted funds £'000 | Restricted funds £'000 | Total 2023 £'000 | Total 2022 £'000 |
|------------------------------------|--------------------------------|------------------------------|------------------------|------------------------|
| DfE/ESFA grants | | | | |
| General annual grant (GAG) | - | 31,496 | 31,496 | 30,304 |
| Other DfE/ESFA grants: | | | | |
| - UIFSM | - | 155 | 155 | - |
| - Pupil premium | - | 2,012 | 2,012 | 1,859 |
| - Teachers' pay and pension grant | - | 208 | 208 | 280 |
| - Recovery premium | - | 543 | 543 | - |
| - Supplementary grant / MSAG | - | 1,267 | 1,267 | - |
| - Others | - | 454 | 454 | 556 |
| | - | 36,135 | 36,135 | 32,999 |
| Other government grants | | | | |
| Local authority grants | - | 3,713 | 3,713 | 3,772 |
| COVID-19 additional funding | | | | |
| DfE/ESFA | | | | |
| Other DfE/ESFA COVID-19 funding | - | 115 | 115 | 215 |
| Total funding | - | 39,963 | 39,963 | 36,986 |

5 Other trading activities

| | Unrestricted funds £'000 | Restricted funds £'000 | Total 2023 £'000 | Total 2022 £'000 |
|--------------------|--------------------------------|------------------------------|------------------------|------------------------|
| Catering income | 526 | - | 526 | 540 |
| Subsidiary trading | 27 | - | 27 | 29 |
| Other income | 541 | - | 541 | 765 |
| | 1,094 | - | 1,094 | 1,334 |

6 Investment income

| | Unrestricted funds £'000 | Restricted funds £'000 | Total 2023 £'000 | Total 2022 £'000 |
|---------------------|--------------------------------|------------------------------|------------------------|------------------------|
| Short term deposits | 7 | - | 7 | 1 |

THOMAS DEACON EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

7 Expenditure

| | Staff costs £'000 | Non-pay expenditure Premises £'000 | Other £'000 | Total 2023 £'000 | Total 2022 £'000 |
|----------------------------------|----------------------|--|----------------|------------------------|------------------------|
| Expenditure on raising funds | | | | | |
| - Direct costs | - | - | 138 | 138 | 507 |
| Academy's educational operations | | | | | |
| - Direct costs | 20,259 | 2,463 | 1,728 | 24,450 | 22,746 |
| - Allocated support costs | 11,758 | 4,481 | 2,731 | 18,970 | 19,311 |
| | <u>32,017</u> | <u>6,944</u> | <u>4,597</u> | <u>43,558</u> | <u>42,564</u> |

Net income/(expenditure) for the year includes:

| | 2023 £'000 | 2022 £'000 |
|---|---------------|---------------|
| Operating lease rentals | 172 | 190 |
| Depreciation of tangible fixed assets | 2,463 | 2,206 |
| Fees payable to auditor for: | | |
| - Audit | 32 | 35 |
| - Other services | 6 | 5 |
| Net interest on defined benefit pension liability | 80 | 385 |

8 Central services

The academy trust 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;
- Marketing;
- Health and safety;
- Educational support.

The Trust charges for these services based on a percentage of GAG income, ranging from 19.5% to 34.7%.

The above support activities have been fully centralised, which includes both staff and non-staff costs associated with the relevant service. The academy budgets are not focussed on educational delivery with the support activities and site operating costs now covered within the central services charge.

THOMAS DEACON EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

8 Central services

(Continued)

The amounts charged during the year were as follows:

| | 2023 £'000 | 2022 £'000 |
|---------------------------|---------------|---------------|
| Thomas Deacon Academy | 3,478 | 3,201 |
| Gladstone Primary Academy | 584 | 545 |
| Queen Katharine Academy | 2,203 | 2,298 |
| Upwood Primary Academy | 197 | 132 |
| Welbourne Primary Academy | 215 | 200 |
| Warboys Primary Academy | 340 | 228 |
| Richard Barnes Academy | 416 | 433 |
| | <u>7,433</u> | <u>7,037</u> |

9 Charitable activities

| | Unrestricted funds £'000 | Restricted funds £'000 | Total 2023 £'000 | Total 2022 £'000 |
|------------------------|--------------------------------|------------------------------|------------------------|------------------------|
| Direct costs | | | | |
| Educational operations | 3 | 24,447 | 24,450 | 22,746 |
| Support costs | | | | |
| Educational operations | 1,052 | 17,918 | 18,970 | 19,311 |
| | <u>1,055</u> | <u>42,365</u> | <u>43,420</u> | <u>42,057</u> |

Analysis of costs

| | 2023 £'000 | 2022 £'000 |
|--|---------------|---------------|
| Direct costs | | |
| Teaching and educational support staff costs | 20,259 | 18,954 |
| Depreciation | 2,463 | 2,206 |
| Other direct costs | 1,728 | 1,586 |
| | <u>24,450</u> | <u>22,746</u> |

THOMAS DEACON EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

9 Charitable activities

(Continued)

Support costs

| | | |
|---------------------------------------|---------------|---------------|
| Support staff costs | 11,758 | 13,040 |
| Technology costs | 219 | 175 |
| Maintenance of premises and equipment | 1,989 | 1,798 |
| Cleaning | 628 | 619 |
| Utility costs | 1,509 | 746 |
| Rent, rates and other occupancy costs | 214 | 203 |
| Insurance | 134 | - |
| Security and transport | 124 | 88 |
| Catering | 837 | 729 |
| Finance costs | 80 | 385 |
| Legal costs | 27 | 11 |
| Other support costs | 1,283 | 1,299 |
| Governance costs | 168 | 218 |
| | <u>18,970</u> | <u>19,311</u> |

10 Governance costs

| | Total 2023 £'000 | Total 2022 £'000 |
|--|------------------------|------------------------|
| All from restricted funds: | | |
| Amounts included in support costs | | |
| Legal costs | 27 | 11 |
| Auditor's remuneration | | |
| - Audit of financial statements | 32 | 35 |
| - Other audit costs | 6 | 5 |
| Other governance costs | 130 | 178 |
| | <u>195</u> | <u>229</u> |

THOMAS DEACON EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

11 Staff

Staff costs

Staff costs during the year were:

| | 2023 £'000 | 2022 £'000 |
|---------------------------|---------------|---------------|
| Wages and salaries | 23,341 | 21,660 |
| Social security costs | 2,226 | 1,950 |
| Pension costs | 5,388 | 7,441 |
| Staff costs - employees | 30,955 | 31,051 |
| Agency staff costs | 992 | 825 |
| Staff restructuring costs | 70 | 118 |
| Total staff expenditure | 32,017 | 31,994 |

Staff restructuring costs comprise:

| | | |
|---------------------|----|-----|
| Redundancy payments | 48 | 50 |
| Severance payments | 22 | 68 |
| | 70 | 118 |

Severance payments

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

| | |
|--------------|---|
| £0 - £25,000 | 3 |
|--------------|---|

Staff numbers

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

| | 2023 Number | 2022 Number |
|----------------------------|----------------|----------------|
| Teachers | 348 | 348 |
| Administration and support | 485 | 482 |
| Management | 3 | 3 |
| | 836 | 833 |

THOMAS DEACON EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

11 Staff

(Continued)

The number of persons employed, expressed as a full time equivalent, was as follows:

| | 2023 Number | 2022 Number |
|----------------------------|----------------|----------------|
| Teachers | 325 | 326 |
| Administration and support | 331 | 314 |
| Management | 3 | 3 |
| | <u>659</u> | <u>643</u> |

Higher paid staff

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

| | 2023 Number | 2022 Number |
|---------------------|----------------|----------------|
| £60,001 - £70,000 | 16 | 9 |
| £70,001 - £80,000 | 5 | 6 |
| £80,001 - £90,000 | 3 | 2 |
| £90,001 - £100,000 | 3 | 1 |
| £100,001 - £110,000 | 1 | 1 |
| £110,001 - £120,000 | 1 | - |
| £120,001 - £130,000 | - | 1 |
| £130,001 - £140,000 | 1 | 1 |
| | <u>1</u> | <u>1</u> |

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £1,585k (2022: £1,339k).

12 Trustees' remuneration and expenses

No Trustees have received remuneration within the period.

During the year, travel and subsistence payments totalling £3k (2022: £2k) were reimbursed or paid directly to trustees (2022: 1 trustees).

Other related party transactions involving the trustees are set out within the related parties note.

13 Trustees' and officers' insurance

The academy trust has opted into the Department for 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 trust 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.

THOMAS DEACON EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

14 Tangible fixed assets

Group and Trust

| | Land and buildings | Assets under construction | Computer equipment | Fixtures, fittings & equipment | Total |
|-----------------------|-----------------------|---------------------------------|-----------------------|--------------------------------------|--------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Cost | | | | | |
| At 1 September 2022 | 65,135 | 365 | 5,384 | 20,093 | 90,977 |
| Transfer | 365 | (365) | - | - | - |
| Additions | - | - | 427 | 1,409 | 1,836 |
| Disposals | - | - | (6) | - | (6) |
| At 31 August 2023 | 65,500 | - | 5,805 | 21,502 | 92,807 |
| Depreciation | | | | | |
| At 1 September 2022 | 17,038 | 39 | 4,922 | 18,583 | 40,582 |
| Transfer | 39 | (39) | - | - | - |
| On disposals | - | - | (6) | - | (6) |
| Charge for the year | 1,519 | - | 459 | 485 | 2,463 |
| At 31 August 2023 | 18,596 | - | 5,375 | 19,068 | 43,039 |
| Net book value | | | | | |
| At 31 August 2023 | 46,904 | - | 430 | 2,434 | 49,768 |
| At 31 August 2022 | 48,097 | 326 | 462 | 1,510 | 50,395 |

15 Fixed asset investments

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

Holdings of more than 20%

The academy trust holds more than 20% of the share capital of the following undertakings:

| Company | Country of registration or incorporation | Class | Shares held % |
|--------------------------------|---|----------|------------------|
| Subsidiary undertakings | | | |
| TDA Development Limited | United Kingdom | Ordinary | 100 |

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

| | Principal activities | Capital and reserves £'000 | Profit/(loss) for the year £'000 |
|-------------------------|----------------------|----------------------------------|--|
| TDA Development Limited | Lettings | 1 | 19 |

THOMAS DEACON EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

| | | | | | |
|-----------|--|--------------|--------------|--------------|--------------|
| 16 | Stock | | | | |
| | Group and Trust | | 2023 | 2022 | |
| | | | £'000 | £'000 | |
| | Catering stock | | 21 | 26 | |
| | Other stock | | 22 | 95 | |
| | | | <u>43</u> | <u>121</u> | |
| | | | | | |
| 17 | Debtors | | | | |
| | | Group | | Trust | |
| | 2023 | 2022 | 2023 | 2022 | |
| | £'000 | £'000 | £'000 | £'000 | |
| | Trade debtors | 164 | 113 | 164 | 111 |
| | Amounts owed by group undertakings | - | - | - | 17 |
| | VAT recoverable | 384 | 189 | 386 | 189 |
| | Prepayments and accrued income | 948 | 776 | 949 | 777 |
| | | <u>1,496</u> | <u>1,078</u> | <u>1,499</u> | <u>1,094</u> |
| | | | | | |
| 18 | Creditors: amounts falling due within one year | | | | |
| | | Group | | Trust | |
| | 2023 | 2022 | 2023 | 2022 | |
| | £'000 | £'000 | £'000 | £'000 | |
| | Trade creditors | 1,224 | 1,227 | 1,223 | 1,223 |
| | ESFA creditors | 200 | - | 200 | - |
| | Other creditors | 94 | 84 | 86 | 84 |
| | Accruals and deferred income | 1,409 | 1,717 | 1,409 | 1,709 |
| | | <u>2,927</u> | <u>3,028</u> | <u>2,918</u> | <u>3,016</u> |
| | | | | | |
| 19 | Creditors: amounts falling due after more than one year | | | | |
| | Group and Trust | | 2023 | 2022 | |
| | | | £'000 | £'000 | |
| | Grants payable | | 844 | 1,044 | |
| | | | <u>844</u> | <u>1,044</u> | |

THOMAS DEACON EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

20 Deferred income Group and Trust

| | 2023 £'000 | 2022 £'000 |
|-------------------------------------|-------------------|-------------------|
| Deferred income is included within: | | |
| Creditors due within one year | 856 | 1,026 |
| | <u> </u> | <u> </u> |
| Deferred income at 1 September 2022 | 1,026 | 1,092 |
| Released from previous years | (1,026) | (1,092) |
| Resources deferred in the year | 856 | 1,026 |
| | <u> </u> | <u> </u> |
| Deferred income at 31 August 2023 | 856 | 1,026 |
| | <u> </u> | <u> </u> |

21 Funds

| | Balance at 1 September 2022 £'000 | Income £'000 | Expenditure £'000 | Gains, losses and transfers £'000 | Balance at 31 August 2023 £'000 |
|-------------------------------------|--|-------------------|----------------------|--|--|
| Restricted general funds | | | | | |
| General Annual Grant (GAG) | 2,403 | 31,496 | (30,706) | (187) | 3,006 |
| UIFSM | - | 155 | (155) | - | - |
| Pupil premium | - | 2,012 | (2,012) | - | - |
| Other DfE/ESFA COVID-19 funding | 115 | 115 | (230) | - | - |
| Other DfE/ESFA grants | - | 2,472 | (2,472) | - | - |
| Other government grants | - | 3,713 | (3,713) | - | - |
| Sponsor funds | 69 | - | - | - | 69 |
| Other restricted funds | - | 174 | (174) | - | - |
| Pension reserve | (1,656) | - | (569) | 875 | (1,350) |
| | <u>931</u> | <u>40,137</u> | <u>(40,031)</u> | <u>688</u> | <u>1,725</u> |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Restricted fixed asset funds | | | | | |
| Restricted fixed asset funds | 50,395 | - | (2,463) | 1,837 | 49,769 |
| Unspent capital grants | 1,001 | 1,033 | - | (1,650) | 384 |
| | <u>51,396</u> | <u>1,033</u> | <u>(2,463)</u> | <u>187</u> | <u>50,153</u> |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Total restricted funds | <u>52,327</u> | <u>41,170</u> | <u>(42,494)</u> | <u>875</u> | <u>51,878</u> |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Unrestricted funds | | | | | |
| General funds | 727 | 1,128 | (1,064) | - | 791 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Total funds | <u>53,054</u> | <u>42,298</u> | <u>(43,558)</u> | <u>875</u> | <u>52,669</u> |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> |

THOMAS DEACON EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

21 Funds

(Continued)

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

- Unrestricted funds are for charitable expenditure at the discretion of the Trustees.
- The DfE/ESFA and other capital grants fund comprises fixed assets funded by government grants or sponsors.
- 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.
- 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.
- The transfer of £187k from restricted funds to restricted fixed assets 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 2023.

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

| | Balance at 1 September 2021 £'000 | Income £'000 | Expenditure £'000 | Gains, losses and transfers £'000 | Balance at 31 August 2022 £'000 |
|-------------------------------------|--|-----------------|----------------------|--|--|
| Restricted general funds | | | | | |
| General Annual Grant (GAG) | 1,469 | 30,304 | (29,056) | (314) | 2,403 |
| Pupil premium | - | 1,859 | (1,859) | - | - |
| Catch-up premium | 176 | - | (61) | - | 115 |
| Other DfE/ESFA COVID-19 funding | - | 215 | (215) | - | - |
| Other DfE/ESFA grants | - | 836 | (836) | - | - |
| Other government grants | - | 3,772 | (3,772) | - | - |
| Sponsor funds | 69 | - | - | - | 69 |
| Other restricted funds | - | 60 | (60) | - | - |
| Pension reserve | (21,922) | - | (3,322) | 23,588 | (1,656) |
| | <u>(20,208)</u> | <u>37,046</u> | <u>(39,181)</u> | <u>23,274</u> | <u>931</u> |
| Restricted fixed asset funds | | | | | |
| Restricted fixed asset funds | 51,347 | - | (2,206) | 1,254 | 50,395 |
| Unspent capital grants | 1,138 | 803 | - | (940) | 1,001 |
| | <u>52,485</u> | <u>803</u> | <u>(2,206)</u> | <u>314</u> | <u>51,396</u> |
| Total restricted funds | <u>32,277</u> | <u>37,849</u> | <u>(41,387)</u> | <u>23,588</u> | <u>52,327</u> |
| Unrestricted funds | | | | | |
| General funds | 629 | 1,275 | (1,177) | - | 727 |
| Total funds | <u>32,906</u> | <u>39,124</u> | <u>(42,564)</u> | <u>23,588</u> | <u>53,054</u> |

THOMAS DEACON EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

21 Funds

(Continued)

Total funds analysis by academy

| | 2023 £'000 | 2022 £'000 |
|--|---------------|---------------|
| Fund balances at 31 August 2023 were allocated as follows: | | |
| Thomas Deacon Academy - restricted | 12 | (219) |
| Thomas Deacon Academy - unrestricted | 3,537 | 3,463 |
| Gladstone Primary Academy - restricted | 1,933 | 1,760 |
| Gladstone Primary Academy - unrestricted | (652) | (644) |
| Queen Katharine Academy - restricted | 1,338 | 790 |
| Queen Katharine Academy - unrestricted | (1,519) | (1,471) |
| Upwood Primary Academy - restricted | 299 | 325 |
| Upwood Primary Academy - unrestricted | (99) | (107) |
| Welbourne Primary Academy - restricted | 272 | 8 |
| Welbourne Primary Academy - unrestricted | (95) | (49) |
| Warboys Primary Academy - restricted | (86) | 297 |
| Warboys Primary Academy - unrestricted | (54) | (110) |
| Richard Barnes Academy - restricted | (693) | (374) |
| Richard Barnes Academy - unrestricted | (454) | (355) |
| Central services - unrestricted | 127 | - |
| | <hr/> | <hr/> |
| Total before fixed assets fund and pension reserve | 3,866 | 3,314 |
| | | |
| Restricted fixed asset fund | 50,153 | 51,396 |
| Pension reserve | (1,350) | (1,656) |
| | <hr/> | <hr/> |
| Total funds | 52,669 | 53,054 |
| | <hr/> | <hr/> |

Total cost analysis by academy

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

| | Teaching and educational support staff £'000 | Other support staff costs £'000 | Educational supplies £'000 | Other costs excluding depreciation £'000 | Total 2023 £'000 | Total 2022 £'000 |
|------------------------------|---|---------------------------------------|----------------------------------|---|------------------------|------------------------|
| Thomas Deacon Academy | 8,385 | 3,190 | 362 | 1,058 | 12,995 | 16,851 |
| Gladstone Primary Academy | 1,799 | 1,166 | 41 | 55 | 3,061 | 3,415 |
| Queen Katharine Academy | 5,830 | 2,214 | 266 | 1,494 | 9,804 | 8,919 |
| Upwood Primary Academy | 575 | 320 | 36 | 75 | 1,006 | 927 |
| Warboys Primary Academy | 836 | 643 | 86 | 138 | 1,703 | 1,638 |
| Welbourne Primary Academy | 684 | 727 | 34 | 151 | 1,596 | 1,385 |
| Richard Barnes Academy | 1,776 | 1,039 | 261 | 677 | 3,753 | 3,883 |
| Central services | 374 | 2,459 | 111 | 4,233 | 7,177 | 3,340 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| | 20,259 | 11,758 | 1,197 | 7,881 | 41,095 | 40,358 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |

THOMAS DEACON EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

22 Analysis of net assets between funds

| | Unrestricted Funds £'000 | General £'000 | Restricted funds: Fixed asset £'000 | Total Funds £'000 |
|--|--------------------------------|------------------|---|-------------------------|
| Fund balances at 31 August 2023 are represented by: | | | | |
| Tangible fixed assets | - | - | 49,768 | 49,768 |
| Current assets | 778 | 6,859 | 385 | 8,022 |
| Current liabilities | 13 | (2,940) | - | (2,927) |
| Non-current liabilities | - | (844) | - | (844) |
| Pension scheme liability | - | (1,350) | - | (1,350) |
| Total net assets | 791 | 1,725 | 50,153 | 52,669 |

| | Unrestricted Funds £'000 | General £'000 | Restricted funds: Fixed asset £'000 | Total Funds £'000 |
|--|--------------------------------|------------------|---|-------------------------|
| Fund balances at 31 August 2022 are represented by: | | | | |
| Tangible fixed assets | - | - | 50,395 | 50,395 |
| Current assets | 1,100 | 6,286 | 1,001 | 8,387 |
| Current liabilities | (373) | (2,655) | - | (3,028) |
| Non-current liabilities | - | (1,044) | - | (1,044) |
| Pension scheme liability | - | (1,656) | - | (1,656) |
| Total net assets | 727 | 931 | 51,396 | 53,054 |

23 Pension and similar obligations

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

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

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

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in academy trusts. 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.

THOMAS DEACON EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

23 Pension and similar obligations

(Continued)

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge)
- 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. The 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 2024.

The employer's pension costs paid to the TPS in the period amounted to £3,226k (2022: £2,973k).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust 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 contributions are as noted below. The agreed contribution rates for future years are 22.0% for employers and 5.5 to 12.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

The actuarial valuation prepared under FRS102 in respect of the Local Government Pension Scheme indicated that one of the school's share of the scheme was in surplus as at the year end to the value of £3,419,000. The actuaries have undertaken an asset ceiling calculation which, on the basis that a minimum funding requirement does exist, indicates that only £348,000 of that surplus is likely to result in either a refund of contributions or a reduction in future contributions in the future.

THOMAS DEACON EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

23 Pension and similar obligations

(Continued)

| Total contributions made | 2023 £'000 | 2022 £'000 |
|--|-------------------|-------------------|
| Employer's contributions | 1,673 | 1,531 |
| Employees' contributions | 503 | 442 |
| Total contributions | 2,176 | 1,973 |
| Principal actuarial assumptions | 2023 % | 2022 % |
| Rate of increase in salaries | 3.48 | 3.57 |
| Rate of increase for pensions in payment/inflation | 2.98 | 3.07 |
| Discount rate for scheme liabilities | 5.20 | 4.25 |
| Inflation assumption (CPI) | 2.98 | 3.07 |

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

| | 2023 Years | 2022 Years |
|----------------------|---------------|---------------|
| Retiring today | | |
| - Males | 21.03 | 22.0 |
| - Females | 23.46 | 24.2 |
| Retiring in 20 years | | |
| - Males | 20.67 | 22.9 |
| - Females | 25.31 | 26.0 |

Scheme liabilities would have been affected by changes in assumptions as follows:

| | 2023 £'000 | 2022 £'000 |
|-------------------------------|---------------|---------------|
| Discount rate + 0.1% | 660 | 719 |
| Mortality assumption + 1 year | 1,217 | 1,249 |
| CPI rate + 0.1% | 46 | 46 |

| | | |
|---|-----------------------|-----------------------|
| Defined benefit pension scheme net liability | 2023 £'000 | 2022 £'000 |
| Scheme assets | 29,102 | 29,569 |
| Scheme obligations | (30,452) | (31,225) |
| Net liability | (1,350) | (1,656) |

THOMAS DEACON EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

23 Pension and similar obligations

(Continued)

| The academy trust's share of the assets in the scheme | 2023 Fair value £'000 | 2022 Fair value £'000 |
|---|-----------------------------|-----------------------------|
| Equities | 20,591 | 20,698 |
| Bonds | 6,434 | 3,844 |
| Asset not recognised | (3,071) | - |
| Property | 4,826 | 4,731 |
| Other assets | 322 | 296 |
| | <hr/> | <hr/> |
| Total market value of assets | 29,102 | 29,569 |
| | <hr/> | <hr/> |

The actual return on scheme assets was £1,008,000 (2022: £(264,000)).

| Amount recognised in the statement of financial activities | 2023 £'000 | 2022 £'000 |
|--|---------------|---------------|
| Current service cost | 2,162 | 4,468 |
| Interest income | (1,289) | (480) |
| Interest cost | 1,369 | 865 |
| | <hr/> | <hr/> |
| Total operating charge | 2,242 | 4,853 |
| | <hr/> | <hr/> |

| Changes in the present value of defined benefit obligations | 2023 £'000 | 2022 £'000 |
|---|---------------|---------------|
| At 1 September 2022 | 31,225 | 50,251 |
| Current service cost | 2,162 | 4,468 |
| Interest cost | 1,369 | 865 |
| Employee contributions | 503 | 442 |
| Actuarial gain | (4,227) | (24,332) |
| Benefits paid | (580) | (469) |
| | <hr/> | <hr/> |
| At 31 August 2023 | 30,452 | 31,225 |
| | <hr/> | <hr/> |

THOMAS DEACON EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

23 Pension and similar obligations

(Continued)

Changes in the fair value of the academy trust's share of scheme assets

| | 2023 £'000 | 2022 £'000 |
|------------------------|---------------|---------------|
| At 1 September 2022 | 29,569 | 28,329 |
| Interest income | 1,289 | 480 |
| Actuarial loss | (281) | (744) |
| Employer contributions | 1,673 | 1,531 |
| Employee contributions | 503 | 442 |
| Benefits paid | (580) | (469) |
| Asset not recognised | (3,071) | - |
| At 31 August 2023 | 29,102 | 29,569 |

24 Reconciliation of net expenditure to net cash flow from operating activities

| | Notes | 2023 £'000 | 2022 £'000 |
|---|-------|---------------|---------------|
| Net expenditure for the reporting period (as per the statement of financial activities) | | (1,260) | (3,440) |
| Adjusted for: | | | |
| Capital grants from DfE and other capital income | | (1,033) | (803) |
| Investment income receivable | 6 | (7) | (1) |
| Defined benefit pension costs less contributions payable | 23 | 489 | 2,937 |
| Defined benefit pension scheme finance cost | 23 | 80 | 385 |
| Depreciation of tangible fixed assets | | 2,463 | 2,206 |
| Decrease in stocks | | 78 | 61 |
| (Increase) in debtors | | (418) | (843) |
| (Decrease)/increase in creditors | | (301) | 1,162 |
| Net cash provided by operating activities | | 91 | 1,664 |

25 Analysis of changes in net funds

| | 1 September 2022 £'000 | Cash flows £'000 | 31 August 2023 £'000 |
|------|------------------------------|---------------------|----------------------------|
| Cash | 6,938 | (955) | 5,983 |

THOMAS DEACON EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

26 Long-term commitments

Operating leases

At 31 August 2023 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

| | 2023 £'000 | 2022 £'000 |
|-----------------------------------|---------------|---------------|
| Amounts due within one year | 137 | 96 |
| Amounts due in two and five years | 154 | 94 |
| | <u>291</u> | <u>190</u> |

Other contractual commitments

At 31 August 2023 the total of the academy trust's future minimum lease payments under other contractual commitments was:

| | 2023 £'000 | 2022 £'000 |
|-----------------------------------|---------------|---------------|
| Amounts due within one year | 1,655 | 1,525 |
| Amounts due in two and five years | 7,112 | 6,748 |
| Amounts due after five years | 18,931 | 20,867 |
| | <u>27,698</u> | <u>29,140</u> |

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 4% (2022 - 10%) per year the commitment is expected to be as shown above.

27 Capital commitments

| | 2023 £'000 | 2022 £'000 |
|---|---------------|---------------|
| Expenditure contracted for but not provided in the accounts | <u>188</u> | <u>55</u> |

THOMAS DEACON EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

28 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 Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

Hayley Hudson is employed at Thomas Deacon Education Trust. Hayley Hudson's husband is Scott Hudson, the Chief Executive of Thomas Deacon Education Trust.

Scott Hudson has no involvement in determining the consideration paid to Hayley Hudson. Payments on the agreed pay scale for the role were made 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.

29 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.