Registered number: 07667168 (England and Wales)

DEANERY CHURCH OF ENGLAND PRIMARY SCHOOL

(A company limited by guarantee)

ANNUAL REPORT

FOR THE YEAR ENDED 31 AUGUST 2018

DEANERY CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

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DEANERY CHURCH OF ENGLAND PRIMARY SCHOOL

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2018

Members	Mrs J Bradbury (Chair) * , Deanery Synod Revd P French, Diocesan Board Mrs J Luckett *, Head Teacher Revd Dr M Rhodes, Diocesan Board (resigned 4 July 2018) Revd S Doel,Incumbent of Walmley Parish Church (resigned 16 September 2018) Mr A Linger *, Diocesan Board (resigned 6 December 2017)
Trustees	Mrs J Bradbury (Chair) *, Deanery Synod Mr M O'Hara, Deanery Synod (appointed 26 October 2017) Mr A Hewston, Deanery Synod Revd S Doel, Incumbent of Walmley Parish Church (resigned 16 September 2018) Mr B Cook, Incumbent of Walmley Parish Church (appointed 4 December 2018) Revd Dr M Rhodes, Diocesan Board (resigned 4 July 2018) Mr A Linger *, Diocesan Board (resigned 6 December 2017) Mr N Snowdon, Deanery Synod Mr M Bessey *, Diocesan Board (resigned 8 October 2018) Mr A D Leahy, Diocesan Board (appointed 25 October 2018) Mrs H Patel *, Diocesan Board Mrs H Williams, Diocesan Board (appointed 4 September 2017) Mrs J Luckett *, Head Teacher / Principal Mrs E Harrison, Appointed Governor (resigned 15 February 2018) Mrs R Boon *, Diocesan Board Mr L Causer *, Elected Parent (appointed 1 December 2017) Mrs R Smith, Elected Parent (resigned 12 October 2018) Mrs M Mason, Elected Parent (appointed 20 November 2018) Mrs R Armstrong, Elected Parent (appointed 20 November 2018) Mrs E Hickling, Staff (teaching) Miss H E Kent, Staff (teaching) (appointed 18 October 2018) Mr M Walker, Staff (teaching) (appointed 29 September 2017, resigned 31 August 2018) Mrs N Allison *, Staff (support) (appointed 29 September 2017) Mrs C Rose, PCC * members of the finance committee
Company registration number	07667168
Company name	Deanery Church of England Primary School
Principal and registered office	14 Fox Hollies Road Sutton Coldfield B76 2RD
Company secretary	Mrs N Allison
Senior management team	Mrs J Luckett, Head Teacher Mrs K Cullen, Deputy Head Teacher Miss A Morris, Deputy Head Teacher Mrs N Allison, Business Manager Mr M Walker, SENco and Inclusion Manager, (left 31 August 2018) Mrs J Griffiths, SENco and Inclusion Manager, (from 1 September 2018)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2018

Advisers (continued)

Independent auditor	PKF Cooper Parry Group Limited Chartered Accountants Statutory Auditor One Central Boulevard Blythe Valley Business Park Solihull West Midlands B90 8BG
Bankers	The Royal Bank of Scotland 747 Attercliffe Road Sheffield S9 3RF
Insurance brokers	Marsh Ltd Capital House 1-5 Perrymount Road Haywards Heath RH16 3SY

DFE Risk Protection Arrangement (from 1 September 2018)

DEANERY CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2017 to 31 August 2018. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

Deanery Church of England Primary School, a Church of England school, provides education for pupils between the ages of 3 and 11. The pupils are drawn from families living and worshipping within the 12 parish churches of the Deanery of Sutton Coldfield, and the local area in accordance with the published admission criteria. The school has a pupil capacity of 472 and had a roll of 469 in the school census on 5 October 2018.

The Academy Trust's principal activity is specifically restricted to the following:

- Establishing, maintaining, carrying on, managing and developing a school with designated Church of England religious character.
- Offering a broad and balanced curriculum.
- Delivering religious education and daily acts of worship.
- Having regard to the advice of the Diocesan Board of Education.
- Promoting facilities for recreation or other leisure for families of Sutton Coldfield to improve family life.

Structure, governance and management

a. Constitution

The Academy is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum and Articles of Association is the primary governing document of the Academy Trust.

The Trustees of Deanery Church of England Primary School are also the directors of the charitable company for the purpose of company law.

The charitable company is known as Deanery Church of England Primary School.

Details of the Trustees who served during the year are included in the Reference and administrative details on page 1.

b. 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.

c. Trustees' indemnities

The Academy Trust purchases indemnity insurance to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust; provided that any insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as directors of the Academy Trust.

d. Method of recruitment and appointment or election of Trustees

The management of the Academy is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

The Academy Trust shall have the following trustees:

a) The Principal (Head Teacher)
b) 11 church trustees – 5 appointed by the Diocesan Board of Education
4 appointed by the Deanery Synod
1 appointed by the PCC of St John the Evangelist, Walmley
The incumbent of the Ecclesiastical Parish of Walmley
c) Up to 3 staff trustees – 2 teachers, 1 support staff
d) Up to 3 parent trustees
e) Up to 2 appointed trustees

The Head Teacher is an ex-officio Trustee.

e. Policies and procedures adopted for the induction and training of Trustees

Many of the current trustees of Deanery C.E. Primary School have considerable experience. A mentoring system is well established to support the induction and training of newly appointed and elected trustees.

The academy purchases support from School and Governor Support at Birmingham Local Authority. Support is also offered from Birmingham Diocesan Board of Education who provides regular courses and training for trustees. This all enhances and supports the in-house induction and training programme. Courses and training are also offered by Birmingham Local Authority and other training providers and the Clerk informs each trustee about these. All newly appointed and elected trustees are invited to observe the working of all sub-committees before deciding which committee they could best serve.

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

f. Organisational structure

The Governing Body is responsible for all major decisions about the Academy.

The Governing Body is responsible for setting all policies covering Personnel, Health & Safety, Curriculum and Financial aspects of the work of the Academy and monitors this. It receives regular reports from the Senior Leadership Team, including management accounts information and other data updates including teaching and learning and achievement and standards.

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

The day-to-day management of the academy is delegated by the Governing Body to the Head Teacher who is supported by the Senior Leadership Team which comprises; Head Teacher, two Deputy Head Teachers, Business Manager and Inclusion Manager.

A school evaluation is undertaken annually by the Senior Management Team and governors who are chairs of the main sub-committees. This is fed into the School Improvement Plan (SIP) which is discussed with all staff. The SIP is then developed and links into the budgeting process. The SIP is reviewed by the Curriculum

Committee and approved by the full Governing Body. The Curriculum Committee reviews the progress of the plan as part of their regular work and uses a self-evaluation process which is conducted at the beginning of each academic year. The Buildings and Lettings Committee reviews the environmental and building part of the SIP

As a primary school, a high percentage of the academy's expenditure relates to staffing. The Staffing Structure is determined by the Governing Body working with the Head Teacher.

The SIP and the staffing structure feeds into Academy budget to ensure resources available to the school are targeted efficiently and effectively to maintain quality teaching and improve standards. The Head Teacher is the Accounting Officer and responsible for the day-to-day management of the academy.

g. Pay policy for key management personnel

Trustees do not receive any remuneration for their services.

The Trustees operate a Whole School Pay Policy as the 'relevant body', as defined in the School Teacher's Pay and Conditions Document (STPC), and for the pay arrangements agreed for all the support staff. The Trustees delegate the day to day management of the policy to the Headteacher in consultation with the Chair of the Governing Body.

The pay and remuneration of the key management personnel is agreed by the Trustees. After completion of performance management reviews of the senior leadership team, the Headteacher makes recommendations to the Trustees for progression on the scale should this band allow.

The Head Teacher's appraisal is carried out by an external adviser appointed by the school, which is then discussed with a panel of Trustees. This panel advise the members of the Pay Committee and this is used to determine the pay review of the Headteacher with progression on the leadership scale should this band allow.

h. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	1
Full-time equivalent employee number	53

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time	£000	
Total cost of facility time	-	
Total pay bill	1,932	
Percentage of total pay bill spent on facility time	-	%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	-	%

i. Connected organisations, including related party relationships

There are no related parties which either control or significantly influence the decisions and operations of Deanery C.E. Primary School. There are no sponsors. The Diocese advises and supports us as requested.

Deanery C.E Primary School operated a Children's Centre, which is a satellite provider of services for children and families in the local area, under the management of Sutton Locality Children's Centre. Following a period of consultation by Birmingham Local Authority regarding the future of Children's Centre provisions across Birmingham all Children's Centres were closed down in January 2018. The building which is part of the school site and owned by the Diocese also houses the successful Foxes before and after school club which is run and managed by the Academy.

The Academy works with many school networks both within the Birmingham LA (school to school networks, Head Teachers Sutton Consortium, North Birmingham Company schools) and across several Midland local authorities (COMFAS, Boldmere Teaching Schools Alliance) to further the principal activities of the Academy.

Objectives and Activities

a. Objects and aims

The principal object and activity of the charitable company is the operation of Deanery C.E. Primary School to provide education and care for pupils between the ages of 3 and 11.

In accordance with the Articles of Association the charitable company has adopted a Funding Agreement approved by the Secretary of State for Education. The Funding Agreement specifies, amongst other things -

- that the school has a curriculum satisfying the requirements of section 78 of EA 2002 (balanced and broadly based curriculum) including English, mathematics and science;
- that the school shall make provision for the teaching of religious education and provide a daily act of collective worship;
- that it provides education for pupils of different abilities;
- that it provides education for pupils who live and worship in the parish churches within the Deanery of Sutton Coldfield as laid out in our admission criteria;
- that it also provides education for pupils who live within the area of the school as laid out in out admissions criteria.
- Undertake statutory testing as directed by Government policy.

The Aims of the Academy during the year ended 31 August 2018 are summarised below.

Vision Statement

The Vision Statement of Deanery C.E. Primary School – 'Ad Majorem Dei Gloriam' – To the Greater Glory of God; we believe this to mean that everything we do, we do as a gift to God. Everyone in our school strives to reflect the 'Glory of God'.

Beliefs and Values

At the Deanery we believe everyone thrives in a happy, secure and caring environment. It is an essential part of our Christian ethos that peace, love, faith, joy, grace and hope should be the core values that everyone respects and agrees. We do this through the teaching of Jesus. We believe that education, strengthened by our faith, is the vehicle with which children can achieve their full potential.

School Culture

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

We aim to -

- foster an environment that is enriched spiritually, morally and socially through the Christian faith;
- value each child as an individual, regardless of faith, ability, gender or ethnicity;
- nurture children to be polite, respectful and considerate towards one another;
- offer a range of opportunities and experiences to develop their confidence, self-esteem and independence;
- encourage each child to fulfil their individual potential within all areas of the curriculum;
- promote knowledge and understanding through a secure, stimulating and enriched environment;
- create a broad educational experience that is enriched both morally and spiritually through partnership with staff, trustees, parents, the local community, parishes of the Deanery and Church of England Birmingham Diocese;
- enable each child to value themselves and have aspirations for the future;
- recognise everyone's place in the wider community.

b. Objectives, strategies and activities

Trustees are committed to support and challenge the academy in order to maintain the extremely high levels of achievement the pupils currently attain.

The academy's Self Evaluation has identified school development focuses for the academic year 2018/19 which include –

- To improve the impact of formative assessment to maximise progress and outcomes
- To develop the health and mental wellbeing of the school community
- To continue to improve the impact of leaders across school; children as leaders, year group leaders, phase and subject leaders.
- To undertake specific development and adaptations necessary in light of new SIAMS inspection framework
- To ensure a broad and balanced curriculum through providing a selection of enrichment activities and skills to enhance the curriculum

c. Public benefit

In setting our objectives and planning our activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

All our charitable activities are undertaken to further our charitable purposes for the public benefit.

Strategic report

Achievements and performance

a. Review of activities

Deanery C.E. Primary School converted to academy status as on OFSTED graded 'outstanding' school in August 2011. It was inspected by OFSTED in June 2013 and was again awarded 'outstanding' overall and in all areas.

Children at Deanery have very strong starting points. Attainment on admissions shows most Nursery children are in line with age-related expectation. Children's attainment at EYFS has been significantly above national expectations over the last five years, with 85% achieving a good level of development at the end of reception, this is against 72% nationally.

Phonics results at Year 1 continue to be above the national average with 92% of children working at the threshold and results of children who retake the check in Year 2 are also above national average.

The KS1 tests are based on teacher assessment, taking into account the scaled scores of statutory tests. Deanery children achieved 11-13 percentage points higher than the national average in reading 87%, writing 83% and maths 87% for those children achieving the expected standard. For those children attaining at greater depth, at Deanery, there were 35% in reading, 27% in writing, some 9-percentage points above national results. In maths, 37% of Deanery children achieved at greater depth against just 22% nationally.

In KS2, children's attainment and progress is very good; children in KS2 achieve well above national average in reading, writing and mathematics combined, with 75% achieving the expected standard against 64% nationally and 25% achieved a high standard in reading, writing, maths combined against 10% nationally. Progress measures in reading, writing and mathematics from KS1 to KS2 are plus positive (0.3, 0.8, 0.4 respectively) with 0 being the national average benchmark.

Termly tracking continues to show consistent progress year on year.

To ensure that standards are continually raised, the Academy:

- implements a whole school approach to self-evaluation;
- follows well established and clear assessment and monitoring policies and procedures which ensures all staff are accountable for the progress of all children;
- continually tracks individual progress of all children, including the identification of vulnerable groups and those receiving Pupil Premium;
- consistently evaluates trends and is proactive in meeting needs;
- plans thoroughly to meet all individual and group needs;
- sets individual, group, class and whole school targets that are challenging and aspirational;
- sets appropriate interventions and individual plans for children with Special Educational Needs and Disabilities, children with specific needs and Gifted and Talented children working closely with appropriate agencies;
- is committed to Continued Professional Development and outstanding performance of all staff through a well-established and rigorous Performance Management process;
- is challenged by an education consultant, leadership consortia and networks and the governors to ensure rigour.

b. Going concern

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

c. Financial review

The main sources of income for the Academy are grants from the Department of Education (DfE) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2018 and the associated expenditure are shown as restricted funds in the statement of financial activities. Trustees are responsible for the proper stewardship of these funds, including regularity and propriety, and for ensuring economy, efficiency and effectiveness in their use – the three key elements of value for money.

The successful extended services; which comprises Foxes before and after school club and the nursery wrap-around care; plus regular letting of both KS1 and KS2 halls after school and on Saturdays brings an income which is fed back into school to support the teaching and learning of our pupils.

During the course of the year, the Governors' have reviewed the nature of two bank accounts held and operated by the School - the School Fund and the Governor's Fund. These bank accounts are under the control of the Governing Body and operate under the same controls and schemes of delegation as the main school bank account.

A prior year adjustment has been made to recognise the bank accounts in both the bank balances and restricted funds of the school. These has resulted in a restatement of the opening bank balance and restricted fund balance as at 1 September 2016, the income and expenditure for the year ended 31 August 2017 and the closing bank balance and restricted fund balance as at 31 August 2017.

A prior year adjustment has also been made to reclassify certain pension adjustments within the Statement of Financial Activities.

The Academy also receives grants for capital expenditure from the DfE. 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 useful life of the assets concerned as defined in the Academy's accounting policies.

During the year ended 31 August 2018, total expenditure of £2,415k (2017: £2,300k) was covered by recurrent grant funding from the DfE together with other incoming resources. The excess of income over expenditure for the year (excluding restricted fixed asset funds) was £302k (2017: deficit £199k).

At 31 August 2018 the net book value of fixed assets was £80K (2017: £99k) and movements in tangible fixed assets are shown in note 10 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

a. Reserves policy

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

The Academy is holding free reserves at 31 August 2018 of £387k (2017: £464k).

b. Investment policy

There are no material investments held by the Academy.

c. Principal risks and uncertainties

The trustees have prepared a Risk Register which includes the financial risks to the school. The register and strategy are regularly reviewed by the senior management Team in light of any new information and will be formally reviewed annually by the Governing Body.

The principal financial risk facing the Academy is that funding is dependent upon pupil numbers. Historically the school has been oversubscribed and we do not envisage a change in this situation with the amount of families requesting school places in this area.

The Academy's future funding is also dependent upon Government Policy for Education. The impact, on Deanery C.E. Primary School, of current review of Schools' Funding, will be assessed accordingly.

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

Fundraising

The Adademy does not undertake any material fundraising activities.

Plans for future periods

a. Future developments

Trustees recognise the impact of the learning environment and resources on the levels of pupil achievement and continue to develop and improve the teaching, learning and whole school environment in a continually evolving education system.

2017/18 saw the completion of the following:

- Development of the outdoor area with the commencement in construction of a new Multi Use Games Area (MUGA)
- Installation of new projectors in the KS1 and KS2 Halls
- Investment in kitchen equipment

Funds held as custodian

There are no Funds held as Custodian Trustee on behalf of others.

Disclosure of information to auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustees have taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

Auditor

The auditor, PKF Cooper Parry Group Limited, has indicated its willingness to continue in office. The Designated Trustees will propose a motion re-appointing the auditor at a meeting of the Trustees.

The Trustees' report, incorporating a strategic report, was approved by order of the Governing Body, as the company directors, on 18 December 2018 and signed on its behalf by:

J. R. Bradbury

Mrs J Bradbury
Chair of Trustees

DEANERY CHURCH OF ENGLAND PRIMARY SCHOOL

(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of Responsibility

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

The Governing Body 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 Deanery Church of England Primary School and the Secretary of State for Education. They are also responsible for reporting to the Governing Body 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 Governing Body has formally met 4 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Trustee	Meetings attended	Out of a possible
Mrs E Hickling	3	3
Mr N Snowdon	0	4
Mrs E Harrison	4	4
Mrs J Bradbury (Chair) *	3	4
Mrs R Boon *	3	3
Revd S Doel	1	4
Mrs J Luckett *	0	2
Mr A Hewston	3	4
Mrs R Smith	4	4
Revd Dr M Rhodes	2	2
Mrs H Williams	4	4
Mr M O'Hara	3	3
Mr A D Leahy	4	4
Mr B Cook	4	4
Miss H E Kent	3	4
Mr L Causer *	3	4
Mr A Linger *	2	4
Mrs R Armstrong	3	3
Mrs H Patel *	2	4
Mr M Walker, Staff (teaching)	0	0
Mrs N Allison *, Staff (support)	0	0
Mrs C Rose, PCC	0	0
* members of the finance committee	0	0

Review of Value for Money

As Accounting Officer, the Principal has responsibility for ensuring that the Academy delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Academy's use of its resources has provided good value for money during each academic year, and reports to the Governing Body where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Academy has delivered improved value for money during the year by:

- educational outcomes have been improved with the same resources; the staffing structure has remained under review and staff have been deployed efficiently to provide targeted intervention, with Deanery children achieving higher than the national average in reading, writing and maths;

- financial oversight and governance has been strengthened through robust challenge of spending and the review of all contracts; enhanced financial reporting has been provided for the Governing Body with the addition of benchmarking and KPI's;

- income generation has been maximised, seeking grants for additional projects and to enhance the curriculum.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Deanery Church of England Primary School for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Governing Body has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks, that has been in place for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

The Risk and Control Framework

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

The Governing Body has considered the need for a specific internal audit function and has decided to appoint Chase House Education Services Limited to undertake internal audit services. This company's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. On a termly basis, the comapny reports to the Governing Body on the operation of the systems and controls and on the discharge of the Governing Body's financial responsibilities.

Review of Effectiveness

As Accounting Officer, the Principal 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 external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Governing Body on 18 December 2018 and signed on their behalf, by:

J. R Bradbury

Mrs J Bradbury
Chair of Trustees

JLuckett

Mrs J Luckett
Accounting Officer

DEANERY CHURCH OF ENGLAND PRIMARY SCHOOL

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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Deanery Church of England Primary School I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, 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 Academies Financial Handbook 2017.

I confirm that I and the academy trust Board of Trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2017.

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

Mrs J Luckett
Accounting Officer

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2018

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking 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 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 financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Governing Body on 18 December 2018 and signed on its behalf by:

J. R. Bradbury

Mrs J Bradbury
Chair of Trustees

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF DEANERY CHURCH OF ENGLAND PRIMARY SCHOOL

Opinion

We have audited the financial statements of Deanery Church of England Primary School (the 'Academy') for the year ended 31 August 2018 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2018 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the academy's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the

work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the 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 our knowledge and understanding of the academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

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

Responsibilities of trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the academy'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 academy or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF DEANERY CHURCH OF ENGLAND PRIMARY SCHOOL

Use of our report

This report is made solely to the academy'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 academy'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 academy and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

PKF Cooper Parry Group Limited

Simon Atkins FCA (Senior Statutory Auditor)
for and on behalf of
PKF Cooper Parry Group Limited

Chartered Accountants
Statutory Auditor

One Central Boulevard
Blythe Valley Business Park
Solihull
West Midlands
B90 8BG
18 December 2018

DEANERY CHURCH OF ENGLAND PRIMARY SCHOOL

(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO DEANERY CHURCH OF ENGLAND PRIMARY SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 9 October 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Deanery Church of England Primary School during the year 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The Accounting Officer is responsible, under the requirements of Deanery Church of England Primary School's funding agreement with the Secretary of State for Education dated 1 August 2011, and the Academies Financial Handbook extant from 1 September 2017, 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 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2017 to 31 August 2018 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 Academies Accounts Direction 2017 to 2018 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of the risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. The work was integrated with our audit on the financial statement to the extent evidence from the conduct of that audit supports the regularity conclusion.

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO DEANERY CHURCH OF ENGLAND PRIMARY SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY (continued)

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 year 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

PKF Cooper Parry Group Limited

PKF Cooper Parry Group Limited

Chartered Accountants
Statutory Auditor

One Central Boulevard
Blythe Valley Business Park
Solihull
West Midlands
B90 8BG

Date: 18/12/18

DEANERY CHURCH OF ENGLAND PRIMARY SCHOOL

(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2018

	Note	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Restricted fixed asset funds 2018 £000	Total funds 2018 £000	Total funds (as restated) 2017 £000
Income from:						
Donations and capital grants	2	-	18	48	66	29
Charitable activities	3	358	1,789	-	2,147	2,174
Other trading activities		48	-	-	48	43
Total income		406	1,807	48	2,261	2,246
Expenditure on:						
Charitable activities		332	2,010	73	2,415	2,300
Total expenditure	4	332	2,010	73	2,415	2,300
Net income / (expenditure) before transfers		74	(203)	(25)	(154)	(54)
Transfers between Funds	14	(151)	145	6	-	-
Net expenditure before other recognised gains and losses		(77)	(58)	(19)	(154)	(54)
Actuarial gains/(losses) on defined benefit pension schemes	17	-	300	-	300	(233)
Net movement in funds		(77)	242	(19)	146	(287)
Reconciliation of funds:						
Total funds brought forward		464	(1,533)	99	(970)	(683)
Total funds carried forward		387	(1,291)	80	(824)	(970)

The notes on pages 24 to 42 form part of these financial statements.

DEANERY CHURCH OF ENGLAND PRIMARY SCHOOL

(A company limited by guarantee)
REGISTERED NUMBER: 07667168

BALANCE SHEET
AS AT 31 AUGUST 2018

	Note	£000	2018 £000	£000	2017 (as restated) £000
Fixed assets					
Tangible assets	10		80		99
Current assets					
Debtors	11	107		143	
Cash at bank and in hand		613		514	
		720		657	
Creditors: amounts falling due within one year	12	(185)		(174)	
Net current assets			535		483
Total assets less current liabilities			615		582
Defined benefit pension scheme liability	18		(1,439)		(1,552)
Net liabilities including pension scheme liabilities			(824)		(970)
Funds of the academy					
Restricted income funds:					
Restricted income funds	14	148		19	
Restricted fixed asset funds	14	80		99	
Restricted income funds excluding pension liability		228		118	
Pension reserve		(1,439)		(1,552)	
Total restricted income funds			(1,211)		(1,434)
Unrestricted income funds	14		387		464
Total deficit			(824)		(970)

The financial statements on pages 21 to 42 were approved by the Trustees, and authorised for issue, on 18 December 2018 and are signed on their behalf, by:

J. R. Bradbury

Mrs J Bradbury
Chair of Trustees

The notes on pages 24 to 42 form part of these financial statements.

DEANERY CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	2018 £000	2017 (as restated) £000
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	16	144	(98)
Cash flows from investing activities:			
Purchase of tangible fixed assets		(54)	(50)
Capital grants from DfE Group		9	15
Net cash used in investing activities		(45)	(35)
Change in cash and cash equivalents in the year		99	(133)
Cash and cash equivalents brought forward		514	647
Cash and cash equivalents carried forward	17	613	514

The notes on pages 24 to 42 form part of these financial statements.

1. Accounting Policies

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

1.1 Basis of preparation of financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2017 to 2018 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, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

All income is recognised once the academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities incorporating income and expenditure account 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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of financial activities incorporating income and expenditure account in the year 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 when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Sponsorship income provided to the academy which amounts to a donation is recognised in the Statement of financial activities incorporating income and expenditure account in the period in which it is receivable, where receipt is probable and it is measurable.

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

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1. Accounting Policies (continued)

1.4 Expenditure

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

Expenditure on charitable activities are costs incurred on the academy's educational operations, including support costs and those costs relating to the governance of the academy appointed to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

1.5 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account 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 incorporating income and expenditure account. 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 these assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold property	-	5 years straight line
Furniture and fixtures	-	3 years straight line

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of 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 incorporating income and expenditure account.

1.6 Operating leases

Rentals under operating leases are charged to the Statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

1. Accounting Policies (continued)

1.7 Debtors

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

1.8 Cash at Bank and in hand

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

1.9 Liabilities and provisions

Liabilities and provisions 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 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. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.10 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 11. Prepayments are not financial instruments. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note 12. 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 Taxation

The academy 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 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. Accounting Policies (continued)

1.12 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 18, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded 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 operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of financial activities incorporating income and expenditure account 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.

1.13 Fund accounting

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

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.

1. Accounting Policies (continued)

1.14 Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 18, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. 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.

2. Income from donations and capital grants

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Total funds 2018 £000	Total funds (as restated) 2017 £000
Donations	-	18	18	14
Capital Grants	-	48	48	15
	-	66	66	29
Total 2017	-	29	29	

3. Funding for Academy's educational operations

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Total funds 2018 £000	Total funds (as restated) 2017 £000
DfE/ESFA grants				
General Annual Grant (GAG)	-	1,529	1,529	1,528
Other DfE/ESFA grants	-	132	132	118
	-	1,661	1,661	1,646
Other government grants				
Local authority grants	-	121	121	124
Children's centre	-	7	7	20
	-	128	128	144
Other funding				
Other income from the academy trust's educational operations	279	-	279	302
Catering income	55	-	55	52
School trip income	24	-	24	30
	358	-	358	384
	358	1,789	2,147	2,174
Total 2017	384	1,790	2,174	

4. Expenditure

	Staff costs 2018 £000	Premises 2018 £000	Other costs 2018 £000	Total 2018 £000	Total 2017 (as restated) £000
Activities:					
Direct costs	1,406	-	148	1,554	1,433
Support costs	526	100	235	861	854
	1,932	100	383	2,415	2,287
Total 2017	1,774	68	445	2,287	

5. Analysis of expenditure by activities

	Activities undertaken directly 2018 £000	Support costs 2018 £000	Total 2018 £000	Total 2017 (as restated) £000
Direct costs - Academy's educational operations	1,554	861	2,415	2,287
Total 2017	1,433	854	2,287	

Analysis of support costs

	Activities £000	Total 2018 £000	Total 2017 (as restated) £000
Staff costs	526	526	500
Depreciation	73	73	103
Technology costs	33	33	35
Premises costs	100	100	87
Other support costs	118	118	120
Governance costs	11	11	9
Subtotal	861	861	854
Other	-	-	13
	861	861	867
At 31 August 2017	854	854	

6. Net income/(expenditure)

This is stated after charging:

	2018 £000	2017 £000
Depreciation of tangible fixed assets:		
- owned by the charity	73	103
Auditor's remuneration - audit	8	7
Auditor's remuneration - other services	2	-
Internal audit costs	3	2

7. Staff costs

a. Staff costs

Staff costs were as follows:	2018 £'000	2017 £'000
Wages and salaries	1,334	1,411
Social security costs	111	120
Operating costs of defined benefit pension schemes	458	240
	1,903	1,771
Agency staff costs	29	3
	1,932	1,774

b. Staff numbers

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

	No.	No.
Teachers	22	24
Administration and support	68	66
	90	90

Average headcount expressed as a full time equivalent:

	No.	No.
Teachers	21	21
Administration and support	32	33
	53	54

c. Higher paid staff

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

	No.	No.
In the band £60,001 - £70,000	1	1

d. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior manegement team as listed on page 2. The total amount of employee benefits (including pension contributions) received by key management personnel for their services to the academy trust was £271,737 (2017: £300,893).

8. Trustees' remuneration and expenses

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

		2018 £	2017 £
Mrs J Lucket (Principal & staff trustee)	Remuneration	£60,001 - £70,000	£60,001 - £70,000
	Pension contributions paid	£10,001-£15,000	£10,001-£15,000
Mrs E Hickling (Staff trustee)	Remuneration	£20,001 - £30,000	£30,001-£35,000
	Pension contributions paid	£0-£5,000	5,001-10,000
Mr M Walker (Staff Trustee)	Remuneration	£30,001 - £40,000	Not Applicable
	Pension contributions paid	£10,001-£15,000	Not Applicable
Mrs N Allison (Staff Trustee)	Remuneration	£40,001-£50,000	Not Applicable
	Pension contributions paid	£5,001-£10,000	Not Applicable

During the year ended 31 August 2018, no Trustees received any reimbursement of expenses (2017 - £NIL).

9. Trustees' and Officers' Insurance

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2018 was £989 (2017:£*909*).

10. Tangible fixed assets

	Long-term leasehold property £000	Assets under construction £000	Furniture and fixtures £000	Total £000
Cost				
At 1 September 2017	337	-	215	552
Additions	-	39	15	54
At 31 August 2018	337	39	230	606
Depreciation				
At 1 September 2017	283	-	170	453
Charge for the year	39	-	34	73
At 31 August 2018	322	-	204	526
Net book value				
At 31 August 2018	15	39	26	80
At 31 August 2017	54	-	45	99

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

11. Debtors

	2018 £000	2017 £000
Other debtors	18	4
Prepayments and accrued income	89	139
	107	143

12. Creditors: Amounts falling due within one year

	2018 £000	2017 £000
Trade creditors	36	31
Other creditors	24	29
Accruals and deferred income	125	114
	185	174

12. Creditors: Amounts falling due within one year (continued)

	2018 £000	2017 £000
Deferred income		
Deferred income at 1 September 2017	69	43
Resources deferred during the year	78	69
Amounts released from previous years	(69)	(43)
Deferred income at 31 August 2018	78	69

The deferred income relates to grants received prior to 31 August 2018 relating to 2018/19 expenditure and to monies received in advances for school activities.

13. Prior year adjustment

During the course of the year, the Governors' have reviewed the nature of two bank accounts held and operated by the School - the School Fund and the Governors' Fund. These bank accounts are under the control of the Governing Body and operate under the same controls and schemes of delegation as the main school bank account.

These financial statements have been prepared on the basis of a retrospective adjustment to recognise the two bank accounts and the income and expenditure through the accounts from 1 September 2016 and gives a clearer indication of the funds available.

This has resulted in a restatement of the opening bank balance and restricted fund balance of £136k as at 1 September 2016.

For the year to 31 August 2017 income has increased by £14k and expenditure has increased by £13k to show an increase in the closing bank balance and restricted funds balance as at 31 August 2017 of £137k.

A prior year adjustment has been made to recognise the bank accounts in both the bank balances and restricted funds of the school. This has resulted in a restatement of the opening bank balance and restricted fund balance as at 1 September 2016, the income and expenditure for the year ended 31 August 2017 and the closing bank balance and restricted fund balance as at 31 August 2017.

A prior year adjustment has also been made to reclassify certain pension adjustments within the Statement of Financial Activities, income has reduced by £172k, expenditure has increased by £27k and other recogised gains and losses have increased by £199k.

Prior year adjustment-effect of restatement

	As at 1 September 2016 as previously stated £000	PYA £000	As at 1 September 2016 as restated £000	As at 31 August 2017 as previously stated £000	PYA £000	As at 31 August 2017 as restated £000
Balance Sheet						
Tangible fixed assets	152	-	152	99	-	99
Debtors	43	-	43	143	-	143
Cash at bank	511	136	647	377	137	514
Creditors	(197)	-	(197)	(174)	-	(174)
Defined benefit scheme pension liability	(1,328)	-	(1,328)	(1,552)	-	(1,552)
Net liabilities	(819)	136	(683)	(1,107)	137	(970)
Fixed asset fund	152	-	152	99	-	99
Restricted income funds	(25)	136	111	(118)	137	19
Pension reserve	(1,328)	-	(1,328)	(1,552)	-	(1,552)
Unrestricted income funds	382	-	382	464	-	464
Total deficit	(819)	136	(683)	(1,107)	137	(970)
Statement of Financial Activities						
Income	2,422	-	2,422	2,404	(158)	2,246
Expenditure	(2,309)	-	(2,309)	(2,260)	(40)	(2,300)
Other recognised gains and losses	(666)	-	(666)	(432)	199	(233)
Funds brought forward	(266)	136	(130)	(819)	136	(683)
Funds carried forward	(819)	136	(683)	(1,107)	137	(970)

14. Statement of funds

	Balance at 1 September 2017 (as restated) £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2018 £000
Unrestricted funds						
Total General funds	464	406	(332)	(151)	-	387
Restricted funds						
General Annual Grant (GAG)	(118)	1,789	(1,816)	145	-	-
Other restricted funds	137	18	(7)	-	-	148
Pension reserve	(1,552)	-	(187)	-	300	(1,439)
	(1,533)	1,807	(2,010)	145	300	(1,291)
Restricted fixed asset funds						
Restricted Fixed Asset Funds - DfE/ESFA Capital Grants	99	48	(73)	6	-	80
Total restricted funds	(1,434)	1,855	(2,083)	151	300	(1,211)
Total of funds	(970)	2,261	(2,415)	-	300	(824)

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

General Annual Grant
Funds from the Education Skills Funding Agency for the provision of education in line with the funding agreement.

Other restricted funds
Other restricted funds. These funds represent the School Fund and Governors' Fund held by the School for specific purposes. The expenditure from these funds is at the discretion of the Governing Body.

Pension reserve
This fund is in relation to the defined liabilty pension scheme. This fund is in deficit, however, the liability is not immediately repayable due to its nature.

Restricted fixed asset funds
This fund represents the fixed assets that are held by the Academy whcih re used to achieve its educational objectives.

14. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2016 (as restated) £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2017 £000
General funds						
Total General funds	382	373	(256)	(35)	-	464
Restricted funds						
General Annual Grant (GAG)	(25)	1,808	(1,901)	-	-	(118)
Other restricted funds	136	14	(13)	-	-	137
Pension reserve	(1,328)	36	(260)	-	-	(1,552)
	(1,217)	1,858	(2,174)	-	-	(1,533)
Restricted fixed asset funds						
Restricted Fixed Asset Funds - DfE/ESFA Capital Grants	152	15	(103)	35	-	99
Total of funds	(683)	2,246	(2,533)	-	-	(970)

15. Analysis of net assets between funds

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Restricted fixed asset funds 2018 £000	Total funds 2018 £000
Tangible fixed assets	-	-	80	80
Current assets	387	333	-	720
Creditors due within one year	-	(185)	-	(185)
Pension liability	-	(1,439)	-	(1,439)
	387	(1,291)	80	(824)

15. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds	Restricted funds	Restricted fixed asset funds	Total funds
	2017	2017	2017	2017
	£000	£000	£000	£000
Tangible fixed assets	-	-	99	99
Current assets	520	137	-	657
Creditors due within one year	(56)	(118)	-	(174)
Pension liability	-	(1,552)	-	(1,552)
	464	(1,533)	99	(970)

16. Reconciliation of net movement in funds to net cash flow from operating activities

	2018 £000	2017 £000
Net expenditure for the year (as per Statement of Financial Activities)	(154)	(54)
Adjustment for:		
Depreciation charges	73	103
Decrease/(increase) in debtors	38	(100)
Increase/(decrease) in creditors	9	(23)
Capital grants from DfE and other capital income	(9)	(15)
Defined benefit pension scheme cost less contributions payable	(39)	(36)
Net return on defined benefit scheme assets	226	27
Net cash provided by/(used in) operating activities	144	(98)

17. Analysis of cash and cash equivalents

	2018 £000	2017 £000
Cash in hand	613	514
Total	613	514

18. Pension commitments

The academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by West Midlands Pension Fund. Both are Multi-employer defined benefit pension schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

18. Pension commitments (continued)

Contributions amounting to £nil were payable to the schemes at 31 August 2018 *(2017:£nil)* and are included within creditors.

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 full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. 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 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% 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 £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £119,733 (2017 - *£128,284*).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx).

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £146,325 (2017 - *£123,927*), of which employer's contributions totalled £111,415 (2017 - *£90,890*) and employees' contributions totalled £34,910 (2017 - *£33,037*). The agreed contribution rates for future years are 18.3% for employers.

18. Pension commitments (continued)

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

	2018	2017
Discount rate for scheme liabilities	2.65 %	2.60 %
Rate of increase in salaries	3.80 %	4.20 %
Rate of increase for pensions in payment / inflation	2.30 %	2.70 %

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

	2018	2017
Retiring today		
Males	21.9	21.8
Females	24.4	24.3
Retiring in 20 years		
Males	24.1	24.0
Females	26.7	26.6

Sensitivity analysis	**At 31 August 2018 £000**	**At 31 August 2017 £000**
Discount rate +0.1%	3,137	3,359
Discount rate -0.1%	3,275	3,510
Mortality assumption - 1 year increase	3,317	3,551
Mortality assumption - 1 year decrease	3,097	3,320

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

	Fair value at 31 August 2018 £000	**Fair value at 31 August 2017 £000**
Equities	1,118	1,051
Gilts	127	121
Other bonds	65	64
Property	143	121
Cash and other liquid assets	66	83
Other	247	220
Total market value of assets	1,766	1,660

The actual return on scheme assets was £21,000 (2017 - *£229,000*).

18. Pension commitments (continued)

The amounts recognised in the Statement of financial activities incorporating income and expenditure account are as follows:

	2018 £000	2017 £000
Current service cost	270	188
Interest income	(44)	(30)
Interest cost	83	56
Administrative expenses	1	1
Total	310	215
Actual return on scheme assets	(23)	199

Movements in the present value of the defined benefit obligation were as follows:

	2018 £000	2017 £000
Opening defined benefit obligation	3,212	2,587
Interest cost	83	56
Current service cost	270	188
Employee contributions	38	32
Actuarial (gains) / losses	(323)	435
Benefits paid, net of transfers in	(75)	(86)
Closing defined benefit obligation	3,205	3,212

Movements in the fair value of the academy's share of scheme assets:

	2018 £000	2017 £000
Opening fair value of scheme assets	1,660	1,259
Interest on assets	44	30
Return on assets	(23)	199
Employer contributions	123	224
Actuarial losses	-	3
Employee contributions	38	32
Benefits paid, net of interest in	(75)	(86)
Administration expenses	(1)	(1)
Closing fair value of scheme assets	1,766	1,660

19. Members' liability

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

20. Related party transactions

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 8.