



Denefield School
(A company Limited by Guarantee)

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

DENEFIELD SCHOOL
(A Company Limited by Guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Hazel Archer (appointed 25 October 2022) Matt Barber Alice Boon Catherine Hester Harvey Smith
Trustees	Kate Courtney-Taylor Adam Greenhalgh, Parent trustee Stephen Kayongo, Parent trustee Trevor Keable, Chair of Trustees Steven Musson (resigned 3 May 2023) Joanne Toovey (resigned 4 November 2023) Edwin Towill, Head Teacher and Accounting Officer Dawn Belcher (appointed 17 May 2023) Helen Mary Blake (appointed 13 July 2023) Steve Hadfield (appointed 1 February 2023) Amy Harrison John Mark Heath (appointed 13 July 2023) Magdalena Jennings (appointed 21 March 2023) Olive Muthoni Sharon Kayongo (appointed 8 February 2023) Stephan Ian Roger Lewis (appointed 17 May 2023) Jennifer Mitchell (appointed 17 May 2023) Claire Nash (appointed 17 May 2023) Sian Louise Thomas (appointed 8 February 2023) Anthony James Walls (appointed 23 October 2023)
Company registered number	07852122
Company name	Denefield School
Principal and registered office	Long Lane Tilehurst Reading RG31 6XY
Company secretary	Edmund Bradley
Senior management team	Edwin Towill, Headteacher Lee Simpson, Director of Teaching & Learning Karen Davis, Assistant Head Lindsay Holley, Assistant Head Sarah McHugh, Deputy Headteacher
Independent auditor	James Cowper Kreston Audit Chartered Accountants and Statutory Auditor 2 Communications Road Greenham Business Park Greenham Newbury Berkshire RG19 6AB

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Bankers

Lloyds Bank Plc
Reading Branch
PO Box 1000
BX1 1LT

Solicitors

Harrison Clark Rickerbys Solicitors
Ellenborough House
Wellington Street
Cheltenham
GL50 1YD

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

TRUSTEE'S REPORT

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2023. The annual report serves the purposes of both a trustees' report and a directors' report and strategic report under company law.

Denefield School operates as a single academy trust for pupils aged 11 to 19 years serving a catchment area in West Reading, Tilehurst and Purley. The school has student capacity of 1,137 and had 1119 students on roll in Autumn 2023.

Structure, Governance and Management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. It was incorporated on 1 January 2012. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Denefield School are also the directors of the charitable company for the purposes of company law. The charitable company operates as Denefield School.

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.

Members' liability

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

Trustees' indemnities

Trustees benefit from indemnity insurance to cover the liability of the trustees arising from negligent acts, errors or omissions occurring whilst on academy business. This is covered by Denefield's membership of the Department for Education's (DfE) Risk Protection Arrangements.

Method of recruitment and appointment or election of trustees

The academy trust may have the following trustees as set out in its Articles of Association and Funding Agreement.

- Up to six trustees (appointed by the Members).
- A minimum of two parent trustees, who are elected by parents of registered students at Denefield School and who must be a parent of a student at Denefield School at the time when they are elected.
- Any number of co opted trustees (appointed by trustees who are not themselves co-opted trustees)
- The Headteacher is treated for all purposes as an 'ex officio' trustee with the exception of all matters relating to the Headteacher's appointment.

The term of office for any trustee, except for the Headteacher, is four years. Subject to remaining eligible any trustee may be reappointed or re elected.

When appointing new trustees, the trust board and members consider the skills and experience mix of its existing trustees in order to ensure the trust board has the necessary skills to fully contribute to the academy's development. All appointments are subject to a satisfactory Enhanced Disclosure and Barring Service (DBS) check. When appointing a new chair of the trust board the person appointed will complete an 'academy trust suitability check' in line with ESFA guidance.

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In accordance with the Academy Trust Handbook and the DfE's Governance Handbook, staff no longer serve as staff trustees, with the exception of the Headteacher.

The Members group consists of five individuals who are independent of the trust board and are appointed for their specific skills and knowledge of the education sector. Members may agree to appoint additional members by passing a special resolution.

The role of members is to provide oversight and to hold the trust board to account for effective governance. This is done by monitoring the work of the trust board once a year at the members' Annual General Meeting (AGM) covering topics such as progress made against long term strategic and annual operational plans and financial position.

Policies and Procedures Adopted for the Induction and Training of Trustees

Training and induction for new trustees is dependent on their previous experience and the role they carry out in the trust board. All new trustees meet with the Headteacher and the Chair of Trustees to discuss the role of the trust board, expectations of trustees, and the school's aims, purpose and context. New trustees receive a tour of the school and meet staff and students. Induction training covers educational, legal and financial matters and is provided via a range of sources including the National Governance Association (NGA) Learning Link, GovernorHub Knowledge, and Local Authority training for governors. All new trustees complete safeguarding, Prevent Duty and cybersecurity training on or prior to appointment.

All trustees must sign up to the trust board's Code of Conduct based on the NGA model Code of Conduct. They must also complete safeguarding training annually, and review the Academy Trust Handbook and Keeping Children Safe in Education (KCSIE). Their GovernorHub account provides access to all the key Denefield governance documentation they will need to undertake their role as trustees. This includes committee minutes, reports, school policies, accounts, budgets, and plans. They also receive guidance and information from the Charity Commission and other bodies.

During the year trustees have the opportunity to attend relevant training courses and have access to the websites of the NGA and The Key for School Governors. To support their ongoing learning, trustees and the Governance Professional can also access a range of support and in-person and online training under Denefield's Governor Services subscription provided by Reading's Brighter Futures for Children (BFFA), the NGA Learning Link and Governor Hub Knowledge, together with training opportunities provided by other professionals. Full board training sessions are organised annually to update trustees on relevant developments impacting their roles and responsibilities. All trustees receive regular updates from the NGA, BFFC, and other professional providers.

Organisational structure

The trust board establishes an overall governance framework and has in place a scheme of delegation for all of its sub-committees. The trust board determines the membership, terms of reference and procedures of its committees and other groups. It receives reports and policies from its committees for ratification. It monitors the activities of the committees through the minutes of their meetings, and from time to time establishes working groups to perform specific tasks over a limited timescale.

There are three main committees of the trust board:

- Resources Committee
- Standards Committee, and
- Headteacher's Performance Management Panel (HTPMP).

The responsibilities and delegations of each committee are outlined in the terms of reference which are approved annually and published on the school's website. The trust board meets seven times a year and its committees

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(with the exception of the HTPMP) each meet at least six times a year. All meetings are minuted by the Governance Professional who is an employee of Denefield School.

The following decisions are reserved to the full Trust board:

- to consider any proposals for changes to the status or constitution of the school and its committee structure
- to appoint or remove the Chair and / or Vice Chair
- to appoint and consider the performance management of the Headteacher
- to appoint members of the senior leadership team, the Finance and Business Director, the Governance Professional and the Company Secretary.

The trust board's main role is to provide 'confident strategic leadership and to create robust accountability, oversight and assurance for educational and financial performance'. Its three core strategic functions are:

- to set the vision, ethos and strategic direction of the academy,
- to hold the Headteacher to account for the educational performance of its students and the performance management of its staff; and
- to oversee the financial performance of the academy and make sure its money is well spent.

The trustees are responsible for setting general policy, devising a long term strategy, adopting an annual action plan and budget, approving the annual statutory accounts, monitoring the school by the use of academic, financial and other performance data, and making major decisions about the future direction of Denefield School, capital expenditure and staff appointments.

The trustees have devolved the day-to-day management of the school to the Headteacher and to the Senior Leadership Team ('SLT'). The Headteacher is appointed by the trust board and is a trustee. He is responsible for the appointment of staff outside of the senior leadership team. The SLT comprises the Headteacher, Deputy Headteacher, Director of Teaching and Learning (since September 2023 changed to a second Deputy Head Teacher), and three Assistant Headteachers. The SLT is responsible for implementing the policies laid down by the trust board, providing professional advice, and reporting back to them on performance. The trustees have devolved day to day financial management to the Headteacher acting as the school's Accounting Officer, and to the Finance and Business Director (FBD) in his role as Chief Financial Officer and Company Secretary.

Arrangements for setting pay and remuneration of key management personnel

The Trust board reviews and agrees a pay policy for all staff annually. Pay and remuneration for all staff is managed through performance management reviews. Teachers' pay is linked to national pay scales set out in the relevant year's School Teachers Pay and Conditions Document (STPCD), and support staff pay is linked to the National Joint Council for Local Government Services scale (NJC).

The Headteacher's Performance Management Panel (HTPMP) sets performance management objectives for the Headteacher annually which are linked to the academy's key improvement priorities. The HTPMP is made up of three trustees consisting of the Chair of trustees and two other trustees appointed by the trust board at its first meeting of the academic year.

The panel is supported by an external expert advisor who advises the HTPMP on the Headteacher's performance and on new performance targets. The HTPMP meeting takes place annually before the 31st October. Prior to the meeting, the advisor meets with the Headteacher to review his performance, and to discuss provisional targets. The Panel gathers evidence from the advisor's report, the Headteacher's self-review, and discussions with the Headteacher during the meeting. Based on their findings, the panel makes a pay recommendation for approval by the Resources Committee. Decisions regarding the Headteacher's pay are communicated in writing by the Chair of Trustees.

The Headteacher determines the annual objectives of SLT members which are linked to the school's improvement priorities. During the year, line management meetings take place to ensure staff are on track to meet their objectives. The Headteacher is the line manager for all members of the SLT as well as the School Business Team (SBT) consisting of the Finance and Business Director, the Operations Director, and the Head of HR.

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The Headteacher presents pay recommendations for members of SLT and SBT to the Resources Committee based on performance against targets. When considering the Headteachers' recommendations, the Resources Committee apply the criteria set out in the relevant pay policy when reviewing and approving pay awards.

At the end of the year, all staff conduct a self evaluation of their performance against their targets with supporting evidence and meet with their line manager to assess performance and any pay entitlement. A SLT moderation meeting is held to consider performance and pay recommendations for all staff outside of the senior leadership team which is attended by a trustee.

All performance awards are made in the context of affordability and the constraints on the school's annual budget. Budgetary difficulties are not used, however, as a reason for withholding pay progression awards

Trade Union Facility Time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	2
Full time equivalent employee number	2

Percentage of time spent on facility time

	Number of employees
0%-1%	2
1%-50%	-
51%-99%	-
100%	-

Percentage of pay bill spent on facility time	£000
Total cost of facility time	1
Total pay bill	5,131
Percentage of total pay bill spent on facility time	<1%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	100%
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Related Parties and other Connected Charities and Organisations

The Governance Professional maintains a Register of Business Interests which records those organisations where a trustee or senior leader, their spouse, partner or other connected person, has a direct personal interest or duty which could be seen as conflicting with their responsibilities to the school. Each trustee and senior leader signs a new declaration of interests each year and is asked to declare any interests at the start of every Trust board and committee meeting. One trustee, the Headteacher, is a member of staff employed by the Academy. Parent trustees are recorded on page xx of these financial statements.

The school works closely with its partner primary schools in Tilehurst, Purley and Pangbourne. The school also works with Pangbourne College as part of the Combined Cadet Force initiative, and works with other another secondary school in Burghfield on areas such as behaviour support and curriculum development.

The school has partnership agreements with two local football clubs, Westwood Wanderers and Barton Rover, for the hire of Denefield's 3G football pitch and playing fields. Many Denefield students are also members of these clubs.

There are no other related parties which either control or significantly influence the decisions and operations of the academy. There are no sponsors or formal Parent Teacher Associations associated with the academy.

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TRUSTEES' REPORT (CONTINUED)
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Objectives and Activities

Objectives and Aims

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

- advance, for the public benefit, education in the locality by maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.
- promote for the benefit of the inhabitants of Tilehurst and the surrounding area the provision of facilities for recreation or other leisure time occupation.

Objectives, strategies and activities

Denefield's vision is that every student leaves the school with the foundations for a rich and fulfilling life which include:

- learning and knowing more and gaining good qualifications
- progressing to the next stage of education, training or employment
- developing kind and positive relationships
- actively contributing to the community and environment
- maximising physical, mental and emotional health and wellbeing.

The key priorities for the period are contained in the three-year Strategic Improvement Plan and the annual School Action Plan, both of which are available from the Headteacher. The main activities of the academy for the period ended 31 August 2023 were as follows:

Leadership and Management

- to ensure the teaching and support staff structure maximise student outcomes and wellbeing
- to recruit, retain, train and deploy teaching and support staff effectively
- to maintain the safety and fitness of purpose of the school site
- to manage the school's resources effectively.

Student Achievement

- to maximise student achievement at Key Stages 4-5
- to develop students' CHARACTER values so that they achieve success for life
- to ensure that all students progress to positive destinations including education, employment and training.

Teaching and Learning

- to ensure a broad and balanced curriculum from Key Stage 3 to Key Stage 5
- to maximise impact through the school's standardised 'Lesson on a Page' delivery model
- to ensure the curriculum is suitably adapted in the light of Covid-19.

Behaviour and Safety

- to ensure the students are work hard and are kind at all times
- to develop consistent and standardised approaches to all routines from the beginning to the end of the school day.

Effectiveness of the Sixth Form

- to ensure a broad and balanced curriculum from Key Stage 3 to Key Stage 5
- to maximise impact through the school's standardised 'Lesson on a Page' delivery model
- to ensure the curriculum is suitably adapted in the light of Covid-19
- to ensure that all students progress to positive destinations including education, employment and training.

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Public benefit

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

Denefield aims to advance, for the public benefit, education in Tilehurst, Purley and the surrounding area, offering a broad curriculum, and providing targeted support for disadvantaged students and those with additional needs.

Denefield also allows use of its facilities for recreational and other leisure time use for the local community at large in the interests of improving social welfare and the life of the that community.

Strategic Report

Achievements, Performance and Key Performance Indicators

Trustees regularly monitor and evaluate the school's performance with reference to the aims and objectives that have been set out in the School Action Plan. Notable successes this year have included:

- Record GCSE examination results, including the third highest progress scores in West Berkshire and the highest progress scores for disadvantaged students in West Berkshire
- Attendance for almost all groups of students above the national average
- once again being oversubscribed in Year 7
- strong staff recruitment and retention
- healthy financial position
- Provision of a wide-ranging programme of extra-curricular activities with increased pupil take-up
- Strengthened working with other schools in West Berkshire and beyond

Educational performance against targets

Educational achievements against targets for the period ended 31 August 2023 are summarised below. It is important to bear in mind that national data for 2022-23 has seen a 4% point reduction in pass rates compared with the previous year. Denefield has typically seen a much more modest drop. The school is significantly above the national average for both attainment: 52 compared with 46.2, and progress: 0.44 compared with -0.03.

GCSE

Measure	Target	2022-23	2021-22
Attainment 8	53	52	53
9-7 in English and Maths	20%	12%	18%
9-5 in English and Maths	56%	56%	56%
9-4 in English and Maths	78%	75%	76%
Progress 8	0.0	0.44	0.11

BTEC Level 2

Measure	Target	2022-23	2021-22
L2 Distinction* / Distinction	38%	30%	37%
L2 Distinction*-Merit	65%	68%	59%
L2 Distinction*-Pass	97%	95%	94%
L2 Distinction*-L1 Pass	100%	100%	99%

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A-Level

Measure	Target	2022-23	2021-22
A*-A	20%	23%	18%
A*-B	50%	41%	49%
A*-C	79%	71%	82%
A*-E	100%	98%	98%

BTEC Level 3

Measure	Target	2022-23	2021-22
L3 Distinction* / Distinction	60%	58%	69%
L3 Distinction*-Merit	80%	97%	94%
L3 Distinction*-Pass	100%	100%	100%

Lessons and learning

Denefield has standardised its approach to the curriculum and lessons, through its 'Lesson on a Page' structure. Internal and external observations suggest this has had a significant impact on student learning and performance, as shown by examination results above.

Extra-curricular

The school continued to expand its post-Covid extra-curricular offer. In addition to lunchtime and after school clubs and activities, significant numbers of students participated in the Combined Cadets Force, gained their Duke of Edinburgh awards, or represented the school in the Greenpower electric car racing competition. Three residential visits took place – an outward-bounds and teambuilding residential for year 7, a sports tour to Barcelona for years 8-10, and a languages visit to Normandy for years 10 and 11.

Summer School

For the third successive year, the school hosted a summer school for prospective year 7 students with free places offered to parents and carers of free school meal children. 140 students attended, representing 70% of the cohort.

Key Performance Indicators

Performance against other key indicators is set out below:

Admissions	Denefield continues to be oversubscribed. The school's Published Admission Number (PAN) is 180, with 200 students taking up places in 2023.
Pupil numbers	The school's overall number on roll has fallen from 1105 to 1126 as a result of slight increase in most year groups.
Attendance	Denefield's overall attendance in 2022-2023 was 91.3%. While above national average this is lower than the 96% target. As with all schools, attendance has been impacted by the pandemic and its after-effects.
Student destinations	64% of Year 13 students gained university places with the majority of the remainder taking up apprenticeships and employment.
Financial indicators	Working reserves held at the end of August 2023 were £820k, down from £854k in August 2022, but remain at a healthy level. Staff costs (including agency teachers) as a percentage of total costs were down compared with the previous year at 75.3% (2021/22 76.9%). Cash balances as a percentage of income remain strong at 18.0% (2021/22 18.3%).

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The school estate

We have continued to maintain our site and buildings through a programme of planned maintenance, repairs, and inspections ensuring the estate remains safe, compliant and fit for purpose. Capital improvements to the school estate in the year to August 2023 include:

- completion in Autumn 2022 of a £0.5m project to replace the Aristotle and Montessori boilers, funded by the ESFA's Condition Improvement Grant and the ESFA's Additional Capital Grant for energy saving projects.
- drainage works outside Montessori, funded by a £150k CIF grant, to reduce the risk of flooding in the area.
- upgrade to emergency lighting throughout the school (£19k)
- three new sets of football goals (£9k) to replace the existing grass-pitch goals
- new servery equipment (£20k) in the canteen aimed at reducing student queueing times.

Going concern

After making appropriate enquiries and reviewing the relevant evidence, trustees have a reasonable expectation that Denefield School has adequate resources to continue in operational existence for the foreseeable future. Denefield has no short or medium-term cashflow concerns, and working reserves are currently at a sufficiently high level to manage any short-term financial pressures or unforeseen circumstances. For this reason, the school continues to adopt the 'going concern' basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Financial review

Most of the school's income comes in the form of recurring grants from the DfE via the Education and Skills Funding Agency (ESFA). Use of these grants is usually restricted to particular purposes. The main revenue grants received from the DfE during the period ended 31 August 2023 were the General Annual Grant, Pupil Premium, Supplementary Grant, Mainstream Schools Additional Grant (new in 2022/23), and Teachers' Pension Employer Contribution Grant (for post 16). These and other grants and the associated expenditure of these grants are shown as Restricted Funds in the Statement of Financial Activities (SOFA).

The academy also receives grants for fixed assets from the DfE and other organisations and these are shown as Restricted Fixed Asset Funds in the SOFA. The balance of the Restricted Fixed Asset Fund is reduced by the depreciation charges on the assets acquired using these funds. The largest capital grants received in 2022/23 were DfE's Condition Improvement Fund (CIF) grant (£232k) for the boiler replacement (in addition to £164k received in 2021/22), £67k CIF funding for drainage works outside Montessori (with a further £103k to follow in 2023/24), and £70k DfE Devolved Formula Capital grant including £45k of 'additional capital grant' for energy saving projects.

The school supplements its grant income by hiring out its facilities to the local community and through rental income from an independent nursery which operates on the school site. Together, this generates a further £80k per year.

During the year ended 31 August 2023, total incoming resources for the year, comprising grant funding from the Education and Skills Funding Agency (ESFA), income from other bodies, and self-generated income, were £7.727m (2021/22 £7.431m). Total resources expended, including depreciation charges and pension adjustments, were £7.765m (2021/22 £7.667m), a shortfall of income against expenditure of £0.038m (2021/22 £0.236m).

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The change in 'working reserves' provides a better summary of Denefield's true financial position. Working reserves are comprised of the restricted general funds balance, unrestricted general funds and designated funds. They exclude the fixed asset fund and the pension reserve. This shows a decrease in working reserves of £34k, compared with 2021/22:

	2021/22 £000	2022/23 £000	Change £000
Unrestricted funds	651	736	+85
Restricted general funds	203	84	-119
Total working reserves	854	820	-34

This decrease reflects the transfer of £177k from restricted general funds to the restricted fixed asset fund, to finance capital expenditure not covered by grant, which includes additions such as new IT equipment, WiFi upgrade, emergency lighting, canteen refurbishment, and Denefield's contribution to the boiler replacement. It is important to note that the transfer also includes £66k that was used to fund part of the cost of the Montessori drainage project in advance of the associated CIF grant being received. We will receive the rest of this grant in 2023/24, and we expect to be in a position to return the funding back to restricted general reserves next year.

The staffing budget came under early pressure in 2022/23 with the announcement of a 5% teacher pay award in the autumn 2022, which was higher than had been expected. The Government responded by announcing new funding for schools (Mainstream Schools Additional Grant) in the Autumn 2022 Statement, to cover the shortfall. During the course of the year, however, teaching staff costs were favourably affected by other internal and external factors which resulted in an overall net saving at the end of the year. These factors included the impact of eight days of teacher strike action, savings from teachers who left mid-year, and reduced use of long and short-term supply teachers.

2022/23 again saw an increase in the costs of alternative provision placements for students accessing education off-site, but some of these extra costs were funded by additional high-needs funding which also showed an increase on the previous year. The school benefitted from relatively low-cost energy costs as a result of fixed price gas and electricity contracts agreed before the sharp increase in market prices 2021/22. Other contract prices rose steadily reflecting the cost of living increases seen throughout 2022/23.

On the income side, ESFA grants were largely in line with expectations, apart from additional funding allocated in year through the Mainstream Schools Additional Grant (£84k) and Additional Capital Grant (£46k) for energy saving projects. The school benefitted from increased lettings income, mainly due to increased use of the 3G pitch, higher than expected bank interest rates, and increased local authority grant income for students with high needs. We hope to increase lettings income in 2024/25 by taking lettings back in-house.

The fixed assets held by Denefield are used for providing education and associated support services to its pupils and for providing facilities for recreational use by the local community. At the 31 August 2023, the net book value of fixed assets was £14.679m (2021/22 £14.558m). Incoming resources to the fixed asset fund totalled £0.412m, with a further £0.177m transferred from restricted general funds. £0.468m was expended on depreciation.

The balance of total funds held at 31 August 2023 was £14.579m (2021/22 £14.204m):

	2021/22 £m	2022/23 £m
Restricted general funds (excluding Pension Liability)	0.203	0.084
Restricted pension liability fund	(1.208)	(0.920)
Restricted fixed asset fund	14.558	14,679
Unrestricted general funds	0.631	0.696
Unrestricted designated funds (3G pitch fund)	0.020	0.040
Total funds	14.204	14,579

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The biggest movement in funds was again the reduction in the pension liability fund from (£1.208m) to (£0.920m), a movement of +£0.288m. The pension reserve relates to the Local Government Pension Scheme (LGPS), a defined benefit scheme for non-teaching staff where assets are held to fund future liabilities. There is currently a shortfall of assets in the LGPS to fund future liabilities, and the pension deficit shown in the pension liability fund, (calculated with reference to accounting valuations and assumption designed to provide consistent comparisons across sectors), reflects Denefield's share of this shortfall.

The positive movement in funds mainly reflects the increase in the actuaries' discount rate (from 4.25% to 5.30%), which is used to calculate the value of pensions to be paid in the future. A higher discount rate means a lower pension liability. The 'actuarial gains on defined benefit pension schemes' of £0.413m shown in the Statement of Financial Activities partly reflect the effect of this higher discount rate.

Notwithstanding the improvement in the pension position, a deficit of £0.920m still remains. The LGPS sets employer or employee contribution rates at a level designed to recover this deficit over time. The new employer contribution rate for April 2023 and the following two years is set at 22.6%. The deficit is only likely to become payable if Denefield were to close. In this unlikely event, Parliament have agreed a guarantee for all academies that any outstanding LGPS liabilities would be met by the Department for Education.

The key financial policies reviewed and adopted during the period include the Financial Management Policy and financial procedures, which sets out the framework for the school's financial management, including the financial responsibilities of the trust board, the headteacher, managers, budget holders and other staff, as well as the delegated authorities for spending. They set out the financial controls needed to ensure probity and help prevent fraud.

A prudent approach is taken in preparing medium term financial forecasts. Scrutiny of the management accounts by the Resources Committee and Trust Board and monthly monitoring by the Chairs of both committees, helps to ensure that financial issues can be identified and addressed quickly.

Risk & Corporate Governance Matters

Trustees review Denefield's reserves policy annually. Their review encompasses the nature of the main income and expenditure streams, the need to match income with commitments and the nature of reserves. The trustees also take into consideration:

- the school's annual budget and anticipated funding over the next three to five years
- cashflow considerations and month-on-month working capital requirements
- the future plans of the school and the need to accumulate funding to support capital investment
- uncertainty over future income streams and the need to build a reasonable buffer for uncertainties, financial turbulence and unforeseen costs
- the impact of unplanned and unavoidable cost increases
- key risks identified in the risk review process
- the School's obligation for ensuring that existing pupils receive maximum benefit from available funding.

Trustees have determined that the appropriate level of working reserves (defined as unrestricted funds and restricted funds which are available for use on educational activities but excluding the fixed asset fund and pension reserve) should be in the range £420k to £560k, equivalent to:

- 85%-115% of the cost of one month's employment costs
- 5.5%- 7.4% of total annual income.

The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants, to provide a cushion to deal with unexpected emergencies such as urgent maintenance, and to help fund projects and initiatives supporting the development and well-being of students and staff for which no external funding has been identified.

DENEFIELD SCHOOL
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

The academy's current level of 'working' reserves (defined as restricted general funds, excluding the pension reserve, plus unrestricted and designated funds) is £0.820m. This is above our target level of reserves but the figure is expected to fall in 2023/24 as a result of planned spending from reserves to support capital investment, such as for toilet refurbishment, canopied areas, and upgrading the sixth form area, as well as to cover a planned short-term budget deficit for 2023/24.

Restricted funds are spent in accordance with the terms of the particular funds. Unrestricted funds are used for the general purposes of the School, at the discretion of the Trust board. Funds carried forward will be used to support educational activities in the next academic year and beyond.

The '3G football pitch 'carpet' replacement fund' is a designated fund for set up the purpose of replacing the pitch 'carpet' every 10 years. £20k is set aside each year from lettings income for this.

Investment Policy

The Trust Board's Investment Policy is to invest surplus funds to optimal effect with the objective of ensuring maximum return on funds invested but with minimal risk. Trustees have determined that surplus funds should only be invested in low-risk interest-bearing UK bank deposit accounts registered with the Financial Conduct Authority, and money market facilities where the capital is not placed at risk. The School does not invest in stocks and shares or other higher risk investment products where the value of the original investment is not protected.

Denefield uses the Insignis Banking platform to benefit from higher interest rates than can normally be achieved on the open market. Surplus funds are either deposited with the School's principal bankers, Lloyds, or transferred to the Insignis platform where they are invested in different instant access and deposit accounts for periods of up to a year. A minimum of £300k is held in the school's current account at all times.

Risk management

Trustees have implemented a system to assess the risks that Denefield faces, especially in the operational areas (such as in relation to teaching and health & safety) and in relation to the control of finances. They have introduced systems, including operational procedures and internal financial controls in order to minimise risk. Together with senior leaders, they have established risk management arrangements which include:

- review of the risk register to ensure that new risks are identified, the level of risk is continually re-assessed, and action is being taken to mitigate existing risks
- an annual programme of internal scrutiny overseen by the Resources Committee in its role as Audit and Risk Committee and informed by the risk register
- reporting to the trust board on the adequacy of the school's internal control framework
- access to advice and resources on risk management provided through its membership of the DfE's Risk Protection Arrangements Scheme
- regular review of the school's financial health.

Principal Risks and Uncertainties

The principal risks and uncertainties facing Denefield are:

Financial

The School relies heavily on continued Government funding through the ESFA. In the period, 90.7% of Denefield's incoming resources was Government funding. Whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will keep pace with rising costs or continue at the same levels or on the same terms.

Other high risk financial areas relate to unfunded inflationary pressures, particularly in relation to employment costs, leading to unsustainable deficit budgets. These risks are mitigated by a rigorous approach to longer term budget planning, review of the curriculum offer and the resources needed to staff it, and a focus on increasing sixth form numbers.

DENEFIELD SCHOOL
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

As an academy, Denefield has limited trade and other debtors, and its exposure to financial risks including cashflow, liquidity and unpaid debt is very low.

The Local Government Pension Scheme deficit has reduced further in 2022/23, mainly as a result of the increase in the discount rate, as described above. Nevertheless, the deficit may result in increased contribution rates over time. Liabilities only become due when there are no active members contributing to the fund, usually in the event of a school closure. Where a school does close, its assets would be used to pay-off any liabilities, with any shortfall paid for by the DfE through its LGPS guarantee.

Compliance / Failures in Governance and / or management

The risk in this area arises from the potential failure to effectively manage the school's finances, internal controls, compliance with regulations and legislation, statutory returns etc.

Reputational

Denefield's continuing success is dependent on attracting sufficient Year 7 and Year 12 applicants by encouraging personal development and maintaining high educational standards. To mitigate this risk, trustees ensure that pupil success and achievement are closely monitored and reviewed. 2023 educational performance was strong.

Safeguarding

Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of safeguarding policies and procedures, health & safety and behaviour. Trustees and staff receive regular training on safeguarding policy and practice, and those involved in recruitment undertake training in Safer Recruitment.

Staffing

Denefield's success relies on the quality of its staff and its ability to recruit and retain staff. Trustees monitor and review policies and procedures to ensure the continued professional development, effectiveness, and wellbeing of staff. Recruitment difficulties are mitigated by early planning.

Fraud and mismanagement of funds

Denefield has engaged its internal and external auditors to perform a programme of work aimed at checking and reviewing the school's internal control framework.

Safety and maintenance of the school estate

A programme of regular maintenance, inspection and servicing helps to ensure the school estate is safe, well maintained and complies with relevant regulations. A recent condition survey has helped to identify areas of greatest need, while a specially commissioned external investigation assured trustees that RAAC was not present on the school site. Successive successful applications for funding from the Condition Improvement Fund have enabled the school to address major infrastructure issues. The latest of these was a project to address drainage and flooding problems in one of the main teaching areas.

Fundraising

Denefield relies largely on DfE grants for its core funding and its formal fundraising activities are limited. Parents/carers of students joining the school in year 7 are encouraged to financially support the school with a small regular or one-off donation and some parents continue to donate throughout their children's time at the school. These donations are supplemented through gift aid. Occasionally we will use external consultants for fundraising, such as for the 3G all-weather football pitch completed in November 2021, but Denefield has not used any such fundraisers in the year to August 2023.

This year we were awarded a £170k Condition Improvement Fund grant from the DfE for major drainage and flooding remedial works outside the Montessori building. We commissioned construction and property consultants Synergy to help with the grant application and to project manage the works.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Plans for Future periods

Denefield strives to continually improve levels of attainment for all pupils, equipping them with the qualifications, skills and character to follow their chosen pathway, whether it be into further and higher education or employment, as well as promoting the continued professional development of its staff. The three year priorities for the academy are:

1. Develop a greater sense of pride, social awareness and kindness throughout the school.

Actions to achieve this include:

- Developing social opportunities through vertical tutor periods and house competitions
- Increasing student participation and ownership including through school council
- Embedding and evaluating anti-bullying and safety action plan

What success will look like:

- Students will always manage themselves and their behaviour well
- Students will be kind and respectful towards each other and staff other at all times
- Students will articulate a greater sense of pride in themselves and in Denefield

2. Develop an outstanding quality of education in the sixth form.

Actions to achieve this include:

- Improving sixth form teaching and outcomes through Lesson on a Page
- Enhancing sixth form personal development through enrichment programmes and leadership opportunities
- Sustainably increasing student numbers at time of curriculum change, and improving sixth form facilities.

What success will look like:

- Sixth form attainment and progress will be significantly above average
- Increased involvement in enrichment, community outreach and leadership opportunities
- Increased profile of sixth form throughout the school

3. Develop an outstanding quality of education for all groups of students, especially those with SEND and who are disadvantaged

Actions to achieve this include:

- Maximising the impact of the curriculum in Maths, MFL, Music, Drama and PE by increasing ambition in classrooms
- Embedding quality first teaching for all and adaptive teaching for SEND students across all subjects
- Reviewing KS3 and KS4 curriculum and assessment focusing particularly on MFL (KS3) and on vocational or non-academic options (KS4)

What success will look like:

- The curriculum is implemented equally well across all subjects and for all students
- Outcomes across the school are above average in all subjects and for all students
- All students value their learning equally highly across all subjects

In addition, the school is developing a three-year site plan, focusing on what developments and improvements will most benefit both the student and the staff community.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Auditor

Insofar 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.

James Cowper Kreston have been appointed as the auditor to the charitable company and have indicated their willingness to continue in office.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 14 December 2023 and signed on its behalf by:



Trevor Keable 20 Dec 2023 16:58:26 GMT (UTC +0)

.....

Trevor Keable

Chair of Trustees

Date: 20 December 2023

DENEFIELD SCHOOL
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

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

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

The board of Trustees has delegated the day to day responsibility to the Headteacher, 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 Denefield School and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees 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 Board of Trustees has formally met 7 times during the year ended 31 August 2023.

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

Trustee	Meetings attended	Out of a possible
Dawn Belcher	2	2
Helen Mary Blake	1	1
Kate Courtney-Taylor	6	6
Adam Greenhalgh, Parent trustee	6	7
Steve Hadfield	4	4
Amy Harrison	7	7
John Mark Heath	1	1
Magdalena Jennings	2	3
Stephen Kayongo, Parent trustee	5	7
Olive Muthoni Sharon Kayongo	3	3
Trevor Keable, Chair of Trustees	7	7
Stephan Ian Roger Lewis	2	2
Jennifer Mitchell	2	2
Steven Musson	2	5
Claire Nash	2	2
Sian Louise Thomas	3	3
Joanne Toovey	1	2
Edwin Towill, Head Teacher and Accounting Officer	6	7

Following the depletion of trustee numbers in 2021/22, the Trust Board has prioritised trustee recruitment in 2022/23. As a result, this year saw a significant change in the composition of the Trust Board. During the year, one trustee resigned (Jo Toovey) and one was removed (Steve Musson). Eleven trustees were appointed: Kate Courtney-Taylor, Steve Hadfield, Olive Kayongo, Sian Thomas, Magdalena Jennings, Claire Nash, Dawn Belcher, Stephan Lewis, and Jennifer Mitchell, Helen Blake and Mark Heath. A new Chair of Trustees, Trevor Keable, was officially appointed in May 2023.

Although many of the trustees are relatively new, trustees have had access to a wide range of external training and guidance. Commitment to the work of the Trust Board is strong, and the range of skills and experience which the trustees have help to ensure that the Trust Board works effectively.

In 2022/23 the trust board and its sub-committees returned fully to in-person meetings rather than online. The difficulty of balancing work and home commitments with governance responsibilities continues to be an issue for some, and changes in the timings of some meetings will be trialled in 2023/24 to help address this.

DENEFIELD SCHOOL
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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Resources Committee, which also acts as Denefield's Audit Committee, is a sub-committee of the Trust Board and is responsible for:

- ensuring sound management and scrutiny of the Academy's finances and resources, including financial planning, monitoring and propriety
- regularly reporting on such matters to the Trust board
- considering issues which have implications for other committees and to make recommendations to the relevant committee;
- reviewing the draft annual statutory accounts, the work of the internal auditor and to meet with the internal auditor once a year to discuss the annual statutory accounts.

The Resources committee met six times in the year ended 31 August 2023. The committee was chaired by Adam Greenhalgh. During the year Steve Musson was removed from the committee and Kate Courtney Taylor, Steve Hadfield, Sian Thomas, Magdalena Jennings, Claire Nash, Dawn Belcher and Steve Lewis joined the committee. Attendance at the meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Dawn Belcher	1	1
Kate Courtney-Taylor	1	1
Adam Greenhalgh (Chair of Resources Committee)	6	6
Steve Hadfield	0	3
Magdalena Jennings	1	2
Stephen Kayongo	0	7
Trevor Keable	5	6
Steve Lewis	0	1
Steve Musson	1	4
Claire Nash	1	1
Sian Thomas	1	3
Edwin Towill (Head teacher and Accounting Officer)	5	6

The **Standards Committee** is also a sub-committee of the trust board. Its purpose is to provide guidance and assistance to the trust board on all matters related to students' performance including academic achievements, attendance, exclusions, behaviour, culture, and students' destinations at the end of year 11 and year 13. In addition, the committee has a responsibility for reviewing careers provision, GCSE and A level/BTEC options choices, school trips and curriculum coverage, extra-curricular activities, safeguarding. All student-related policies and curriculum-related policies are reviewed by this committee.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Standards Committee met six times in the year ended 31 August 2023. The committee was chaired by Trev Keable. During the year Jo Toovey resigned, Steve Musson was removed and Adam Greenhalgh, Steve Hadfield, Olive Kayongo, Claire Nash, Dawn Belcher, and Jennifer Mitchell joined the committee. Attendance at meetings of the Standards Committee during the period was as follows:

Trustee	Meetings attended	Out of a possible
Dawn Belcher	1	1
Kate Courtney-Taylor	0	5
Amy Harrison	4	6
Adam Greenhalgh	4	6
Steve Hadfield	2	3
Olive Kayongo	2	3
Trevor Keable	5	6
Jenni Mitchell	1	1
Steve Musson (Chair of Standards Committee to 3 May 2023)	1	5
Claire Nash	1	1
Jo Toovey	1	1
Edwin Towill (Head teacher and Accounting Officer)	5	6

Conflict of interests

In order to avoid potential conflicts of interest, trustees and senior school leaders complete a declaration of interests each year identifying any related parties or business interests that might constitute or be seen to constitute a potential conflict. The register of interests is maintained by the Governance Professional and is updated as new individuals' business interests change. In addition, at the start of each board or committee meeting the Governance Professional invites trustees to declare any interests, and this is minuted. Where relevant, trustees are asked to absent themselves from the meeting should a conflict of interest arise, to enable an agenda item to be discussed freely and openly by the remaining trustees. New suppliers are compared with the trustees' register of business interests to identify any potential related party transactions requiring prior DfE approval.

Governance reviews

All trustees are required to abide by the Governance Code of Conduct and to make an annual declaration of business interests. The trust board has a number of experienced trustees with a good mix of skills including finance, higher education, IT, communications and local government, and is well supported by an experienced Governance Professional. Regular information provided by senior leaders, and access to an ongoing programme of external training and briefings help to ensure that trustees stay up-to-date with relevant developments.

Trustees and senior leaders rigorously monitor and evaluate school performance against the annual school action plan as a means of driving and securing on-going improvements to the school. Trustees work in partnership with school leaders to create a culture of continuous improvement, to provide strategic direction, to identify key priorities for development and to ensure effective monitoring and evaluation of the school's work.

An external review of governance arrangements was carried out by a governance expert in late 2022 to evaluate the impact and effectiveness of the trust board. Following this review, a further internal survey in Spring 2023 resulted in roles and responsibilities being re-assigned to trustees taking account of their interests, skills and experience. The review also led to the Trustees' Development Plan 2023/24 which can be found on the school web site and centres around:

- strategic leadership, and setting direction
- accountability for Educational Standards and financial performance and
- evaluation: managing and developing the board's effectiveness.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

A further external governance review by the River Learning Trust is planned for Autumn 2023.

Review of value for money

As accounting officer, the Head teacher 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, as well as estates safety and management, 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 Trust Board 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:

- Improving educational outcomes across a number of key indicators without any significant increase in resources, including an increased offer of a full programme of extra-curricular activities, trips and visits at relatively small additional cost.
- Optimising the deployment of teaching staff during 2022/23 and implementing changes to the support staff structure, such as Inclusion, 'ACE' and 'ICE', following an earlier review in 2022.
- Using benchmarking data such as the View My Financial Insights data and the DfE Schools' Financial Benchmarking Website to explore the reasons for key areas of spend which lie outside expected ranges when compared with similar schools.
- Engaging external expert providers to provide support and guidance on high-risk, technically complex or time-consuming areas such as safeguarding, capital development and procurement.
- Investing in school infrastructure to improve the school estate and to ensure it remains safe, compliant, and fit for purpose. For example, as well as continuing our rolling programme of routine inspections and maintenance, we have recently carried out a fixed wire inspection of all electrical circuits in the school, as well as using DfE capital funding to install a new drainage system outside the Montessori building to minimise the risk of flooding.
- making judicious purchasing decision such as :
 - Retendering high-value contracts such as school catering (from August 2022), cleaning (from May 2023), and photocopying equipment (from August 2023)
 - benefiting from gas and energy contracts with prices fixed until August 2023 at rates significantly below current energy prices.
 - buying discounted refurbished IT equipment instead of new
 - renewing membership of the DfE's Risk Protection Arrangements providing comprehensive and cost-effective financial protection for a wide range of risks compared with commercial insurance, including cyber security, UK and overseas travel, property damage, legal liability, and personal injury.
 - Using DfE approved purchasing frameworks for supplies and services to deliver cost savings.

The focus of our value for money activities in 2023/24 will again be on optimising the deployment of staff resources, retendering high cost contracts such as IT support, and improving our approach to longer-term capital development planning. We will also be planning to take lettings back in-house from Sep 2024 with a view to further maximising income generation.

DENEFIELD SCHOOL
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GOVERNANCE STATEMENT (CONTINUED)

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 Denefield's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place for the period ended 31 August 2023 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Trust board has reviewed the key risks to which the school 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 on going process for identifying, evaluating and managing the school's significant risks that has been in place for the year ended 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the trust board.

The risk and control framework

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

The Board of Trustees has decided to buy-in an internal audit service from Bishop Fleming

This option has been chosen because, as a specialist audit and accountancy firm with extensive experience of the academy sector, Bishop Fleming are deemed to be better equipped to provide an internal assurance service and to fully evaluate the school's internal control framework than alternatives such as an internal appointment, a trustee, or a peer review conducted by the chief financial officer from another trust.

The internal auditor's role includes giving advice on financial and other matters and performing a range of checks on the school's financial and other systems. In particular, the checks carried out in the current period included:

- ongoing review of financial controls, including follow-up on points previously raised
- review of the pupil census arrangements
- review of the 'Edupay' HR and payroll system implemented in May 2022.

The key recommendations from the auditors' review were:

- that the census return processed is formalised and that there is a separate review and authorisation of the census report before submission to the DfE
- that approved purchase orders are obtained before any purchase is carried out
- that the payroll authorisation process is further tightened to minimise risk of fraud and to protect those involved in processing payroll.

In addition, Denefield commissioned other external reviews as part of its 2022/23 internal assurance programme covering

DENEFIELD SCHOOL
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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

- accessibility audit (Evans Jones, November 2022)
- behaviour and culture 'temperature check' (Tom Sullivan, Head Teacher of Ashmole Academy, lead school in the national Behaviour Hubs programme)
- VAT audit with a particular focus on lettings (Bishop Fleming March 23).

The Resources Committee are provided with an annual summary report outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

Internal audit findings are reported to the Trust Board through the Resources Committee. An annual summary report outlines the areas reviewed, key findings, recommendations and conclusions to help the Resources Committee consider actions and assess year on year progress.

Review of effectiveness

As accounting officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the period ended 31 August 2023 the review has been informed by:

- the financial management and governance self-assessment process;
- the internal assurance work carried out by Bishop Fleming and others on behalf of the trustees
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework;
- the work of the external auditor, James Cowper Kreston;
- relevant correspondence from ESFA.

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

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



Trevor Keable 20 Dec 2023 16:58:28 GMT (UTC +0)

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Trevor Keable

Chair of Trustees

Date: 20 December 2023



Edwin Towill 20 Dec 2023 15:19:40 GMT (UTC +0)

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Edwin Towill

Accounting Officer

20 December 2023

DENEFIELD SCHOOL
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STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Denefield School I have considered my responsibility to notify the academy board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including safety and management, under the funding agreement between the academy 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 2022, including responsibilities for estates safety and management.

I confirm that I and the academy board of Trustees are able to identify any material irregular or improper use of all funds by the academy, or material non-compliance with the terms and conditions of funding under the academy's funding agreement and the Academies Financial 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 board of Trustees and ESFA.



Edwin Towill 20 Dec 2023 15:19:40 GMT (UTC +0)

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E Towill

Accounting Officer

Date:

20 December 2023

DENEFIELD SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2023

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

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

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

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

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



Trevor Keable 20 Dec 2023 16:58:26 GMT (UTC +0)

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Trevor Keable
 Chair of Trustees

Date: 20 December 2023

DENEFIELD SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
DENEFIELD SCHOOL**

Opinion

We have audited the financial statements of Denefield School (the 'parent Academy') and its subsidiaries (the 'Group') for the year ended 31 August 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Academy Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent Academy'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.

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**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
DENEFIELD SCHOOL (CONTINUED)**

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report 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 have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Group and the parent 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:

- the parent Academy has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Academy 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 Group's and the parent 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 Group or the parent Academy or to cease operations, or have no realistic alternative but to do so.

DENEFIELD SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
DENEFIELD SCHOOL (CONTINUED)**

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.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

The specific procedures for this engagement that we designed and performed to detect material misstatements in respect of irregularities, including fraud, were as follows:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management and those charged with governance to identify any material instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work to address the risk of irregularities due to management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for evidence of bias.

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.

DENEFIELD SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
DENEFIELD SCHOOL (CONTINUED)**

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.



Alexander Peal BSc (Hons) FCA DChA (Senior Statutory Auditor)

for and on behalf of

James Cowper Kreston Audit

Chartered Accountants and Statutory Auditor

2 Communications Road

Greenham Business Park

Greenham

Newbury

Berkshire

RG19 6AB

Date: 21 December 2023

DENEFIELD SCHOOL
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO DENEFIELD SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 29 September 2021 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 Denefield School during the year 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 Denefield School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Denefield School 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 Denefield School and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Denefield School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Denefield School's funding agreement with the Secretary of State for Education dated 13 August 2013 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 year 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.

DENEFIELD SCHOOL
(A Company Limited by Guarantee)

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

Approach

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

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

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

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

Our work on regularity included a review of the internal controls, policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

Specific work undertaken to draw to our conclusion includes;

- reviewing the minutes of the meetings of the Board of Governors and other evidence made available to us, relevant to our consideration of regularity;
- review of the objectives and activities of the academy, with reference to the income streams and other information available to us as auditors of the academy;
- testing of a sample of payroll payments to staff;
- testing of a sample of payments to suppliers and other third parties;
- testing of a sample of grants received and other income streams.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

Conclusion

In the course of our work, nothing has come to our attention which suggests in all material respects the expenditure disbursed and income received during the year 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
James Cowper Kreston Audit
 Chartered Accountants and Statutory Auditor

2 Communications Road
 Greenham Business Park
 Greenham
 Newbury
 Berkshire
 RG19 6AB

Date: 21 December 2023

DENEFIELD SCHOOL
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023**

		Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
	Note					
Income from:						
Donations and capital grants	3	1	1	412	414	522
Other trading activities	5	80	-	-	80	91
Investments	6	11	-	-	11	-
Charitable activities		21	7,201	-	7,222	6,818
Total income		113	7,202	412	7,727	7,431
Expenditure on:						
Raising funds		6	-	-	6	3
Charitable activities		22	7,269	468	7,759	7,664
Total expenditure	7	28	7,269	468	7,765	7,667
Net income/(expenditure)		85	(67)	(56)	(38)	(236)
Transfers between funds	16	-	(177)	177	-	-
Net movement in funds before other recognised gains/(losses)		85	(244)	121	(38)	(236)
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	25	413	-	-	413	4,038
Net movement in funds		498	(244)	121	375	3,802
Reconciliation of funds:						
Total funds brought forward		651	(1,005)	14,558	14,204	10,402
Net movement in funds		498	(244)	121	375	3,802
Total funds carried forward		1,149	(1,249)	14,679	14,579	14,204

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 37 to 60 form part of these financial statements.

DENEFIELD SCHOOL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07852122

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £000	2022 £000
Fixed assets			
Tangible assets	13	14,679	14,558
Current assets			
Debtors	14	216	234
Cash at bank and in hand		1,315	1,321
		<u>1,531</u>	<u>1,555</u>
Creditors: amounts falling due within one year	15	(711)	(701)
Net current assets		<u>820</u>	<u>854</u>
Total assets less current liabilities		<u>15,499</u>	<u>15,412</u>
Net assets excluding pension liability		<u>15,499</u>	<u>15,412</u>
Defined benefit pension scheme liability	25	(920)	(1,208)
Total net assets		<u><u>14,579</u></u>	<u><u>14,204</u></u>

DENEFIELD SCHOOL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07852122

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

	Note	2023 £000	2022 £000
Funds of the Academy			
Restricted funds:			
Fixed asset funds	16	14,679	14,558
Restricted income funds	16	84	203
		<hr/>	<hr/>
Restricted funds excluding pension asset	16	14,763	14,761
Pension reserve	16	(920)	(1,208)
		<hr/>	<hr/>
Total restricted funds	16	13,843	13,553
Unrestricted income funds	16	736	651
		<hr/>	<hr/>
Total funds		14,579	14,204
		<hr/>	<hr/>

The financial statements on pages 31 to 60 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



Trevor Keable 20 Dec 2023 16:58:26 GMT (UTC +0)

Trevor Keable

Chair of Trustees

Date: 20 December 2023



Edwin Towill 20 Dec 2023 15:19:40 GMT (UTC +0)

Edwin Towill

Accounting Officer

20 December 2023

The notes on pages 37 to 60 form part of these financial statements.

DENEFIELD SCHOOL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07852122

ACADEMY BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £000	2022 £000
Fixed assets			
Tangible assets	13	14,679	14,558
Current assets			
Debtors	14	216	234
Cash at bank and in hand		1,315	1,321
		<u>1,531</u>	<u>1,555</u>
Creditors: amounts falling due within one year	15	(711)	(701)
Net current assets		<u>820</u>	<u>854</u>
Total assets less current liabilities		<u>15,499</u>	<u>15,412</u>
Net assets excluding pension liability		<u>15,499</u>	<u>15,412</u>
Defined benefit pension scheme liability	25	(920)	(1,208)
Total net assets		<u><u>14,579</u></u>	<u><u>14,204</u></u>

DENEFIELD SCHOOL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07852122

ACADEMY BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

	Note	2023 £000	2022 £000
Funds of the Academy			
Restricted funds:			
Fixed asset funds	16	14,679	14,558
Restricted income funds	16	84	203
		<hr/>	<hr/>
Restricted funds excluding pension liability	16	14,763	14,761
Pension reserve	16	(920)	(1,208)
		<hr/>	<hr/>
Total restricted funds	16	13,843	13,553
Unrestricted income funds	16	736	651
		<hr/>	<hr/>
Total funds		14,579	14,204
		<hr/>	<hr/>

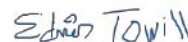
The financial statements on pages 31 to 60 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



Trevor Keable 20 Dec 2023 16:58:26 GMT (UTC +0)

.....
Trevor Keable
Chair of Trustees
Date:

20 December 2023



Edwin Towill 20 Dec 2023 15:19:40 GMT (UTC +0)

.....
Edwin Towill
Accounting Officer

20 December 2023

The notes on pages 37 to 60 form part of these financial statements.

DENEFIELD SCHOOL
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £000	2022 £000
Cash flows from operating activities			
Net cash provided by operating activities	18	171	434
Cash flows from investing activities	20	(176)	(259)
Cash flows from financing activities	19	-	(3)
Change in cash and cash equivalents in the year		(5)	172
Cash and cash equivalents at the beginning of the year		1,320	1,148
Cash and cash equivalents at the end of the year	21, 22	1,315	1,320

The notes on pages 37 to 60 form part of these financial statements

DENEFIELD SCHOOL
(A Company Limited by Guarantee)

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), judgments and key sources of estimation uncertainty, is set out below.

1.1 Basis of preparation of financial statements

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

Denefield School meets the definition of a public benefit entity under FRS 102.

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

No separate SOFA has been presented for the academy alone as permitted by section 408 of the Companies Act 2006.

1.2 Company status

The academy is a company limited by guarantee. The members of the company are named on page 1. In the event of the academy being wound up, the liability in respect of the guarantee is limited to £10 per member of the academy.

1.3 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

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

DENEFIELD SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.4 Income

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

- **Grants**

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

General Annual Grant is recognised in full in the Consolidated Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

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

- **Donations**

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

- **Other income**

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

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 allocated on the portion of the asset's use.

- **Expenditure on raising funds**

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

- **Charitable activities**

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

DENEFIELD SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.6 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 has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.7 Basis of consolidation

The financial statements consolidate the accounts of Denefield School and all of its subsidiary undertakings ('subsidiaries').

The academy has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and expenditure account.

The income and expenditure account for the year dealt with in the accounts of the academy was £38k deficit (2022 - £236k deficit).

1.8 Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on the following bases:

Freehold property	- 2% - 10% straight line
Furniture and equipment	- 7% - 33% straight line
Fixtures and fittings	- 7% - 20% straight line
Computer equipment	- 10% - 33% 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 Consolidated Statement of Financial Activities.

DENEFIELD SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.9 Operating leases

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

1.10 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 Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.11 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.

1.12 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.

1.13 Pensions

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

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

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

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

DENEFIELD SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.14 Liabilities and provisions

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

1.15 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. 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 cost as detailed in note 15 and 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment.

DENEFIELD SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The Academy 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 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 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.

Critical areas of judgment:

Depreciation

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issue such as the remaining life of the asset and projected disposal values.

3. Income from donations and capital grants

	Unrestricted funds	Restricted funds	Restricted fixed asset funds	Total funds	Total funds
	2023	2023	2023	2023	2022
	£000	£000	£000	£000	£000
Donations	1	1	-	2	3
Capital Grants	-	-	412	412	519
Total 2023	1	1	412	414	522
Total 2022	3	-	519	522	

DENEFIELD SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

4. Funding for the academy's educational operations

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
DfE/ESFA grants				
General Annual Grant (GAG)	-	6,323	6,323	6,139
Other DfE/ESFA grants				
Pupil Premium	-	159	159	153
Other DfE Group grants	-	141	141	246
Supplementary grant	-	170	170	-
Mainstream schools additional Grant	-	84	84	-
	-	6,877	6,877	6,538
Other Government grants				
Local authority grants	-	148	148	126
Other income from the academy trust's educational operations	21	176	197	154
	21	324	345	280
Total 2023	21	7,201	7,222	6,818
Total 2022	15	6,803	6,818	

5. Income from other trading activities

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Rental Income	19	-	19	19
Hire of facilities	61	-	61	41
Other capital income	-	-	-	31
Total 2023	80	-	80	91
Total 2022	60	31	91	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

6. Investment income

	Unrestricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Bank interest	11	11	-

7. Expenditure

	Staff Costs 2023 £000	Premises 2023 £000	Other 2023 £000	Total 2023 £000	Total 2022 £000
Expenditure on fundraising trading activities:					
Direct costs	-	-	6	6	3
Educational operations					
Direct costs	4,723	-	742	5,465	5,387
Allocated support costs	885	670	739	2,294	2,277
Total 2023	5,608	670	1,487	7,765	7,667
Total 2022	5,668	503	1,496	7,667	

8. Analysis of expenditure by activities

	Activities undertaken directly 2023 £000	Support costs 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Academy's educational operations	5,465	2,294	7,759	7,664
Total 2022	5,387	2,277	7,664	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2023 £000	Total funds 2022 £000
Pension finance costs	38	39
Staff costs	885	951
Depreciation	467	452
Technology costs	173	171
Premises costs	203	169
Cleaning	163	151
Rates	39	38
Energy	112	117
Insurance	30	28
Catering and welfare	48	49
Other support costs	105	80
Governance costs	31	32
	2,294	2,277

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

9. Staff

a. Staff costs

Staff costs during the year were as follows:

	Group 2023 £000	Group 2022 £000	Academy 2023 £000	Academy 2022 £000
Wages and salaries	4,168	3,935	4,168	3,935
Social security costs	422	381	422	381
Pension costs	989	1,231	989	1,231
	5,579	5,547	5,579	5,547
Agency staff costs	29	121	29	121
	5,608	5,668	5,608	5,668

b. Staff numbers

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

	Group 2023 No.	Group 2022 No.	Academy 2023 No.	Academy 2022 No.
Teachers	64	61	64	60
Administration and support	69	69	69	69
Management	5	7	5	7
	138	137	138	136

The average headcount expressed as full-time equivalents was:

	Group 2023 No.	Group 2022 No.	Academy 2023 No.	Academy 2022 No.
Teachers	61	58	61	58
Administration and support	40	41	40	41
Management	5	7	5	7
	106	106	106	106

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NOTES TO THE FINANCIAL STATEMENTS
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9. Staff (continued)

b. Staff numbers (continued)

c. Higher paid staff

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

	Group 2023 No.	Group 2022 No.
In the band £60,001 - £70,000	4	6
In the band £70,001 - £80,000	2	1
In the band £100,001 - £110,000	1	1
	<u> </u>	<u> </u>

d. Key management personnel

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £533,995 (2022 : £670,112).

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2023 £000	2022 £000
Depreciation of tangible fixed assets	467	451
	<u> </u>	<u> </u>

11. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy. The head teacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of head teacher and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2023 £000	2022 £000
Edwin Towill, Head Teacher	Remuneration	105 - 110	100 - 105
	Pension contributions paid	25 - 30	20 - 25

During the year ended 31 August 2023, no Trustee expenses have been incurred (2022 - £NIL).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

12. Trustees' and Officers' insurance

The Group 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 business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme membership.

13. Tangible fixed assets

Group and Academy

	Freehold property £000	Fixtures and fittings £000	Furniture and equipment £000	Computer equipment £000	Total £000
Cost or valuation					
At 1 September 2022	21,706	1,399	-	554	23,659
Additions	26	465	38	59	588
Disposals	-	-	(20)	(5)	(25)
Transfers between classes	-	(830)	830	-	-
At 31 August 2023	21,732	1,034	848	608	24,222
Depreciation					
At 1 September 2022	8,001	633	-	467	9,101
Charge for the year	328	47	53	39	467
On disposals	-	-	(20)	(5)	(25)
Transfers between classes	-	(568)	568	-	-
At 31 August 2023	8,329	112	601	501	9,543
Net book value					
At 31 August 2023	13,403	922	247	107	14,679
At 31 August 2022	13,705	766	-	87	14,558

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NOTES TO THE FINANCIAL STATEMENTS
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14. Debtors

	Group 2023 £000	Group 2022 £000	Academy 2023 £000	Academy 2022 £000
Due within one year				
Trade debtors	9	7	9	7
Amounts due from HMRC	56	85	56	85
Prepayments and accrued income	151	142	151	142
	<u>216</u>	<u>234</u>	<u>216</u>	<u>234</u>

15. Creditors: Amounts falling due within one year

	Group 2023 £000	Group 2022 £000	Academy 2023 £000	Academy 2022 £000
Other loans	-	3	-	3
Trade creditors	175	368	175	368
Other taxation and social security	220	196	220	196
Other creditors	4	18	4	18
Accruals and deferred income	312	116	312	116
	<u>711</u>	<u>701</u>	<u>711</u>	<u>701</u>

	Group 2023 £000	Group 2022 £000	Academy 2023 £000	Academy 2022 £000
Deferred income at 1 September 2022	36	14	36	14
Resources deferred during the year	101	36	101	36
Amounts released from previous periods	(36)	(14)	(36)	(14)
	<u>101</u>	<u>36</u>	<u>101</u>	<u>36</u>

At the balance sheet date the academy trust was holding funds of £23k (2022: £5k) received in advance for rates relief, £45k (2022: £19k) for school trips taking place in 2023/24, and £33k (2022: £12k) for other income.

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Statement of funds

	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2023 £000
Unrestricted funds						
Designated funds						
3G carpet replacement fund	20	41	(10)	(11)	-	40
General funds						
General Funds	631	72	(18)	11	-	696
Total Unrestricted funds	651	113	(28)	-	-	736
Restricted general funds						
General Annual Grant (GAG)	180	6,323	(6,260)	(177)	-	66
Pupil Premium	-	159	(159)	-	-	-
Other DfE/ESFA	-	398	(398)	-	-	-
Local Authority	-	148	(148)	-	-	-
Other income	23	174	(179)	-	-	18
Pension reserve	(1,208)	-	(125)	-	413	(920)
	(1,005)	7,202	(7,269)	(177)	413	(836)

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

	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2023 £000
Restricted fixed asset funds						
On transfer	10,613	-	(259)	1,493	-	11,847
DfE/ESFA capital grants	707	370	(133)	889	-	1,833
Capital from GAG and other funds	2,536	-	(60)	(2,187)	-	289
AP Wireless capital income	16	-	(2)	(1)	-	13
3G Pitch	686	42	(14)	(17)	-	697
	<u>14,558</u>	<u>412</u>	<u>(468)</u>	<u>177</u>	<u>-</u>	<u>14,679</u>
Total Restricted funds	<u>13,553</u>	<u>7,614</u>	<u>(7,737)</u>	<u>-</u>	<u>413</u>	<u>13,843</u>
Total funds	<u>14,204</u>	<u>7,727</u>	<u>(7,765)</u>	<u>-</u>	<u>413</u>	<u>14,579</u>

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

Restricted funds

The General Annual Grant (GAG) represents funding received from the Education and Skills Funding Agency during the period in order to fund the continuing activities of the school.

The pension reserve represents the Local Government Pension Scheme deficit. In the event of academy closure the outstanding LGPS liabilities would be met by the Department for Education. The trust is able to meet its current obligation to the pension fund, being the employer contributions.

Restricted fixed asset funds

DfE capital grants received in 2022/23 include Condition Improvement Grant £300k (2022: £164k) and Devolved Formula Capital Grant £70k (2022: £24k) which includes the Additional Capital Grant.

The academy trust is carrying a net surplus of £820k (2022: £854k) on restricted general funds (excluding the pension reserve and fixed asset fund), plus unrestricted funds at 31 August 2023.

Transfers between funds in the restricted fixed assets funds reflects a further analysis of older assets and their source of funding.

Designated funds

The purpose of the 3G carpet replacement fund is to build up sufficient resources to fund the replacement of the pitch 'carpet' every 10 years, depending on wear and tear. The cost of a new 'carpet' is around £200k so trustees aim to put aside around £20k per annum.

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

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

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2022 £000
Unrestricted funds						
Designated funds						
3G carpet replacement fund	-	-	-	20	-	20
General funds						
General Funds	582	53	(4)	-	-	631
3G Pitch	-	25	(5)	(20)	-	-
	582	78	(9)	(20)	-	631
Total Unrestricted funds	582	78	(9)	-	-	651
Restricted general funds						
General Annual Grant (GAG)	353	6,139	(6,055)	(257)	-	180
Pupil Premium	-	153	(182)	29	-	-
Other DfE/ESFA	-	246	(246)	-	-	-
Local Authority	-	126	(126)	-	-	-
Other income	23	139	(139)	-	-	23
Pension reserve	(4,788)	-	(458)	-	4,038	(1,208)
	(4,412)	6,803	(7,206)	(228)	4,038	(1,005)

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

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2022 £000
Restricted fixed asset funds						
On transfer	10,951	-	(338)	-	-	10,613
DfE/ESFA capital grants	597	188	(78)	-	-	707
Capital from GAG and other funds	2,356	-	(31)	211	-	2,536
AP Wireless capital income	18	31	(2)	(31)	-	16
3G Pitch	310	331	(3)	48	-	686
	<u>14,232</u>	<u>550</u>	<u>(452)</u>	<u>228</u>	<u>-</u>	<u>14,558</u>
Total Restricted funds	<u>9,820</u>	<u>7,353</u>	<u>(7,658)</u>	<u>-</u>	<u>4,038</u>	<u>13,553</u>
Total funds	<u>10,402</u>	<u>7,431</u>	<u>(7,667)</u>	<u>-</u>	<u>4,038</u>	<u>14,204</u>

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000
Tangible fixed assets	-	-	14,679	14,679
Current assets	736	795	-	1,531
Creditors due within one year	-	(711)	-	(711)
Provisions for liabilities and charges	-	(920)	-	(920)
Total	<u>736</u>	<u>(836)</u>	<u>14,679</u>	<u>14,579</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000
Tangible fixed assets	-	-	14,558	14,558
Current assets	651	904	-	1,555
Creditors due within one year	-	(701)	-	(701)
Provisions for liabilities and charges	-	(1,208)	-	(1,208)
Total	651	(1,005)	14,558	14,204

18. Reconciliation of net expenditure to net cash flow from operating activities

	2023 £000	2022 £000
Net expenditure for the year (as per Statement of Financial Activities)	(38)	(236)
Adjustments for:		
Depreciation	467	452
Capital grants from DfE and other capital income	(412)	(519)
Defined benefit pension scheme cost less contributions payable	76	378
Defined benefit pension scheme finance cost	49	80
Decrease in debtors	18	241
Increase in creditors	10	38
Loss on disposal of assets	1	-
Net cash provided by operating activities	171	434

19. Cash flows from financing activities

	Group 2023 £000	Group 2022 £000
Repayments of borrowing	-	(3)
Net cash provided by/(used in) financing activities	-	(3)

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20. Cash flows from investing activities

	Group 2023 £000	Group 2022 £000
Purchase of tangible fixed assets	(588)	(778)
Capital grants	412	519
Net cash used in investing activities	(176)	(259)

21. Analysis of cash and cash equivalents

	Group 2023 £000	Group 2022 £000
Cash in hand and at bank	1,315	1,320
Total cash and cash equivalents	1,315	1,320

22. Analysis of changes in net debt

	At 1 September 2022 £000	Cash flows £000	At 31 August 2023 £000
Cash at bank and in hand	1,321	(6)	1,315
Debt due within 1 year	(3)	3	-
	1,318	(3)	1,315

23. 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.

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24. Capital commitments

	Group	Group	Academy	Academy
	2023	2022	2023	2022
	£000	£000	£000	£000
Contracted for but not provided in these financial statements				
Acquisition of tangible fixed assets	41	-	41	-

25. Pension commitments

The Academy'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 The Royal County of Berkshire Pension Fund. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £104,000 were payable to the schemes at 31 August 2023 (2022 - £97,000) and are included within creditors.

Teachers' Pension Scheme

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

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

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NOTES TO THE FINANCIAL STATEMENTS
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25. Pension commitments (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 31 March 2016 TPS actuarial valuation results were implemented from 1 September 2019. The key elements of the valuation and subsequent consultation were:

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

The latest actuarial TPS valuation results, as at 31 March 2020, were released in October 2023. The revised employer contribution rate, arising from this valuation, is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the year amounted to £654,000 (2022 - £620,000).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £330,000 (2022 - £303,000), of which employer's contributions totalled £248,000 (2022 - £239,000) and employees' contributions totalled £ 82,000 (2022 - £64,000). The current employer contribution rate is 21.6% and 5.5% to 12.5% for employees. The employer contribution rate increased to 22.6% in April 2023.

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

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

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25. Pension commitments (continued)

Principal actuarial assumptions

	2023	2022
	%	%
Rate of increase in salaries	3.90	3.95
Rate of increase for pensions in payment/inflation	2.90	2.95
Discount rate for scheme liabilities	5.30	4.25

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

	2023	2022
	Years	Years
Retiring today		
Males	20.7	21.0
Females	23.6	23.8
Retiring in 20 years		
Males	22.0	22.3
Females	25.0	25.3

Sensitivity analysis

	2023	2022
	£000	£000
Discount rate +0.1%	(85)	(104)
Discount rate -0.1%	87	106
Mortality assumption - 1 year increase	135	147
Mortality assumption - 1 year decrease	(132)	(143)
CPI rate +0.1%	84	100
CPI rate -0.1%	82	(98)
Salary increases +0.1%	5	7
Salary increases -0.1%	(5)	(7)

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25. Pension commitments (continued)

Share of scheme assets

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

	At 31 August 2023 £000	At 31 August 2022 £000
Equities	2,623	2,155
Debt instruments	855	829
Property	387	461
Total market value of assets	3,865	3,445

The actual return on scheme assets was £162,000 (2022 - £202,000).

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

	2023 £000	2022 £000
Current service cost	(324)	(617)
Interest income	152	51
Interest cost	(198)	(128)
Administrative expenses	(3)	(2)
Total amount recognised in the Consolidated Statement of Financial Activities	(373)	(696)

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

	2023 £000	2022 £000
At 1 September	4,653	7,766
Current service cost	324	617
Interest cost	198	128
Employee contributions	82	64
Actuarial (gains)/losses	(409)	(3,887)
Benefits paid	(63)	(35)
At 31 August	4,785	4,653

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25. Pension commitments (continued)

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

	2023	2022
	£000	£000
At 1 September	3,445	2,978
Interest income	152	51
Return on assets less interest	(162)	151
Employer contributions	248	239
Employee contributions	82	64
Other actuarial gains/(losses)	166	-
Benefits paid	(63)	(35)
Administration expenses	(3)	(3)
At 31 August	3,865	3,445

26. Operating lease commitments

At 31 August 2023 the Group and the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group	Group	Academy	Academy
	2023	2022	2023	2022
	£000	£000	£000	£000
Not later than 1 year	14,993	16,774	14,993	16,774
Later than 1 year and not later than 5 years	26,110	3,098	26,110	3,098
	41,103	19,872	41,103	19,872

27. Related party transactions

Owing to the nature of the Academy 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 Academy's financial regulations and normal procurement procedures relating to connected and related party transactions.

28. Controlling party

The ultimate controlling party is that of its trustees as detailed on page 1 of the financial statements.