

Company Registration Number: 07960887 (England & Wales)

The University of Birmingham School
(A company limited by guarantee)

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

THE UNIVERSITY OF BIRMINGHAM SCHOOL
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members	The University of Birmingham (represented by the Vice-Chancellor) Professor Tim Jones (resigned 7 December 2022) Mr Christopher Banks CBE Professor Jeffrey Bale Mr Richard Haywood (resigned 7 December 2022) Dame Lin Homer (appointed 1 January 2023)
Trustees	Professor Jeffrey Bale, Chair Mr Joey Islam, Vice Chair Professor Julie Allan Ms Natalie Howard (resigned 28 March 2023) Mr Stephen Washbourne Professor Richard Black (resigned 5 October 2023) Ms Cathy Gilbert Professor Prem Kumar (resigned 21 July 2023) Ms Fionnuala O'Connor Mr Mark Senior (resigned 21 July 2023) Dr Claudia Favero (resigned 21 July 2023) Ms Anna Brinkworth Professor Andrew Peterson Mrs Nicola Bradfield Professor Deborah Youdell (resigned 19 June 2023) Mr Ernest Addo-Boateng (resigned 19 June 2023) Mrs Katy Watkin (resigned 21 July 2023) Mr Mark Davis (appointed 29 March 2023) Mr Colin Townsend, Accounting officer (Ex Officio) Professor Joanne Duberley (appointed 5 October 2023) Mrs Seema Brudhra (appointed 20 September 2023) Mr Kevin Cobane (appointed 14 September 2023) Professor Jeremy Pritchard (appointed 14 September 2023) Professor Karen Guldberg (appointed 14 September 2023) Ms Rebecca Lambert (appointed 1 September 2023) Mr Pradeep Chaudhari (resigned 5 October 2023)
Company registered number	07960887
Company name	The University of Birmingham School
Principal and registered office	The University of Birmingham School 12 Weoley Park Road Selly Oak Birmingham B29 6QU
Company secretary	Mr Robin Haslam (and Chief Finance Officer)

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

Senior management team

Mr Colin Townsend, Principal
Mr Liam Dwyer, Senior Assistant Vice-Principal
Mrs Gemma Walker, Vice-Principal
Mr Arthur Reeves, Senior Assistant Vice-Principal
Mrs Rebecca Tigue, Director of Training School and Character
Mr R Haslam, School Business Leader
Miss C Exton, Assistant Vice Principal
Mr David Ashmore, Assistant Vice-Principal
Mr D Lowy, Director of Information & Systems
Ms Sarah Barrington, Assistant Vice-Principal
Ms C Haley, Assistant Vice Principal
Ms Kelly Poulton, Assistant Vice Principal (SENDCo)
Dr C Bownes, Associate Senior Leader
Mr J Bennett, Associate Senior Leader

Independent auditor

Cooper Parry Group Limited
Statutory Auditor
Cubo Birmingham
Two Chamberlain Square
Birmingham
B3 3AX

Bankers

Lloyds
142 Edgbaston Park Road
Birmingham
B15 2TY

Solicitors

Legal Services
The University of Birmingham
Edgbaston
Birmingham
B15 2TT

THE UNIVERSITY OF BIRMINGHAM SCHOOL
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees who are also Trustees and Directors of University of Birmingham School ('the School'), present their annual report together with the financial statements and auditors' report of the charitable company for the period 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a Trustees' report and a Directors' report, including a strategic report, under company law.

The Trust operates as an Academy Trust for pupils aged 11 to 18. Years 7 to 11 are recruited from admission nodes in Selly Oak, Hall Green, Small Heath and the Jewellery Quarter. This is by design and seeks to fulfil one of the Trustees' aims for the School that we are representative of the City of Birmingham. The Sixth Form is academically selective and open to students from across Birmingham and its surrounding communities. The School opened in September 2015 and was the first secondary University Training School in the UK.

At this stage of the School's existence and operation, there are pupils and students in every year cohort – including pupils in our year 11 cohort transitioning to our year 12 Sixth Form where this is the appropriate progression step for them. At the last School census the School had 779 pupils on roll in years 7 - 11 and 411 students in years 12 and 13 (total 1190). The vision of the University of Birmingham School is to create a learning community that will transform lives by raising the aspirations of a very diverse student population and therefore maximise students' personal and academic achievement so that they can fulfil their potential and access the widest possible range of opportunities and pathways.

The School's unapologetic focus on personal and academic achievement – a rounded education underpinned by character development - and ultimately success in achieving entry to higher education derives from its link to the University of Birmingham.

Aspiration and progression to higher education is key and a proven route to social mobility and this School seeks to help all of its students to raise their aspirations and achievement. It does this by offering students a curriculum based on traditional academic subjects and by supporting their development as well-rounded people of strong character, all benefiting from excellent resources, a diverse and comprehensive student body, and access to world-class facilities through the University.

Structure, governance and management

a. Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Trust.

The Trustees are also the Directors of the charitable company for the purposes of company law. The charitable company operates as University of Birmingham School.

Details of the Trustees who served throughout the year and to the date of the approval of this report and the financial statements are included in the Reference and Administrative Details on page 1.

b. Members' liability

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

c. Trustees' indemnities

The Trustees benefit from indemnity insurance purchased by the Academy Trust to cover the liability of the Trustees arising from negligent acts, errors or commissions occurring whilst on Academy Trust business. The limit of this indemnity is £10,000,000.

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

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of trustees, governors, and directors

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

- Up to 10 are "University nominated" Trustees, appointed by the Members;
- Up to 2 are Staff Trustees, elected through a process determined by the Members;
- A minimum of 2 Parent Trustees, elected by parents and carers;
- The Principal is an ex-officio Trustee; and
- 4 Co-opted Trustees, appointed by the other Trustees.

Trustees are appointed for a 4 year period, except that this time limit does not apply to the Principal where they have agreed to be appointed as a Trustee or where they are automatically appointed as a Trustee under the Articles of Association. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

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

There are currently eighteen Trustees, who also act as Trustees and Directors, all of whom have been appointed by the Members. The Members are obliged by the Trust's Articles of Association to ensure that the majority of School Trustees are nominees of the University of Birmingham.

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

All Trustees are provided with the policies, procedures, minutes, accounts, budgets, plans and other documents they will need to undertake their role as Trustees. Specific induction and training will be provided for Trustees, covering all of their roles and responsibilities. Trustees also have access to various online resources including The Key and Governor Hub. Through a Trustees' skills analysis and matrix priorities for training are identified and put in place for the Board. Examples of on-going training offered widely have been safeguarding, GDPR, and awareness of unconscious bias and race action linked to the equalities duty; with more select training being offered to Chairs of Committees about Ofsted's education inspection framework (EIF) and related matters such as the central importance of the School's curriculum – from its intent, to its implementation, and its impact. The Trust employs a Governance Professional.

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

Structure, governance and management (continued)

f. Organisational structure

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

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

There are 5 Committees of the Board of Trustees as follows:

- Resources
- Staffing and Personnel
- Teaching and Learning
- Pastoral
- Audit

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

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

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

The Trustees have devolved the day-to-day management of the Academy Trust to the Senior Leadership Team ('SLT'), which is led by the Principal. The SLT comprises the Principal, Vice Principals, Assistant Vice Principals, the School Business Leader, Director of Information and Systems, and Associate Senior Leaders. The Principal is the Academy Trust's Accounting Officer and has overall responsibility for the day-to-day financial management of the Academy Trust. The SLT implements the policies laid down by the Trustees and reports back to them on these and the Academy Trust's overall performance.

During 2021/22 the Principal proposed senior team structural development to put in place the focused leadership capacity to deliver on the School's strategic intents moving beyond August 2022. This increased the leadership team at University of Birmingham School from ten to fourteen members for 2022/23 – including two fixed term development roles of Associate Senior Leader.

To support the School's progression to its ninth full year of operation, a new group of teaching, teaching-related and professional services staff were recruited. In order to replace staff who were moving on from the School, or staff who gained internal promotions during the year, seven new teachers joined the School during the year or in readiness for September 2023. Two middle leaders progressed to two re-modelled Lead Practitioner posts with effect from September 2023 to strengthen the leadership of outreach (linked to University Training School developments) – alongside offering professional development routes. The School employs a significant number (nineteen) of Teaching Intervention Assistants (TAs) to support the inclusion of a higher than national number of pupils with additional needs. The School supported the induction and professional development of twelve ECTs (early career teachers) in 2022/23, and is placed to deliver the ECT Framework to eight ECT staff members in 2023/24 – comprising three in ECT year 1 and five in ECT year 2. Each ECT staff member has a mentor. The School also recruited to the post of Safeguarding Manager given the resignation of the incumbent post-holder to relocate to another location. Trustees and leaders are committed to robust safeguarding and to retaining the staff capacity necessary for this.

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TRUSTEES' REPORT (CONTINUED)
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Structure, governance and management (continued)

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

The Trustees consider the Board of Trustees and the senior leadership team to comprise the key management personnel of the Academy Trust in charge of directing and controlling, running and operating the Academy Trust on a day-to-day basis. All Trustees give of their time freely and no Trustee received any remuneration in the current or prior year, other than those Trustees who are also employees of the Academy Trust. Details of Trustees' remuneration and expenses are disclosed in note 12 of the financial statements respectively.

The pay of the senior leadership team is reviewed annually by the Staffing and Personnel Committee in line with the Academy Trust's pay and remuneration policy and by reference to published pay scales for both teaching and professional services staff.

The Governing Body determines the salary/pay range to be advertised and agree pay on appointment in accordance with the following:

- a) The Principal will have a pay range of 5 consecutive points (which have regard for national scales).
- b) The Vice-Principals will have a pay range of 9 consecutive points.
- c) The Assistant Vice-Principals and Senior Assistant Vice-Principals will have a pay range of 5 consecutive points that sit below the Vice Principal's pay range.
- d) The School Business Leader will have a professional services pay range, broadly equivalent to that of Assistant Vice-Principal.
- e) The Principal may make a recommendation to the Governing Body to appoint a person to a post on a salary that is outside of the normal salary range for the post.
- f) The Governing Body will consider the request and confirm their decision to the Principal accordingly.
- g) Associate Senior Leader roles offer remuneration at a fixed-term pay uplift of £1500 per annum, in addition to the post-holders substantive salary and contractual responsibilities.

The Governing Body delegates three Trustees, none of whom are employees of the School, to carry out the Performance Development review for the Principal as set out in the School's Performance Development and Appraisal Policy. The agreed performance objectives and indicators or measures may be referred for moderation to the Chair of Trustees. The Trustees engage the services of an advisor/appraiser to assist in the Principal's review – ordinarily an experienced, independent ex-Head Teacher or Principal.

At the time of the annual assessment of teachers' salaries, the Principal may recommend to Trustees that any member of staff paid on the Leadership Range be paid up to two additional points subject to the maximum of the individual range.

The Governing Body expects that the objectives which were set for such staff under the Performance Development and Appraisal Policy will have become progressively more challenging as they have gained experience in their current role and where there has been sustained high quality of performance having regard to the results of the recent Performance Review. The Principal will notify the Staffing and Personnel Committee of his view. Where it considers it has substantial difficulties in retaining the services of a current member of the Leadership Team the Principal, in consultation with the Governing Body, may decide to change the salary range in order to retain their services.

h. Related parties and other connected charities organisations

The School is connected to The University of Birmingham by virtue of the University's role as the founding Member of the charitable company, the provision of services, and the granting of a lease to occupy the site on which the School is built. The charitable company functions as a subsidiary of the University.

The University of Birmingham makes donations and contributions to support particular projects and facilities of the Academy Trust and its pupils and is therefore treated as a related party of the Academy Trust for the purposes of the financial statements.

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TRUSTEES' REPORT (CONTINUED)
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Structure, governance and management (continued)

i. Engagement with employees (including disabled persons)

The Academy Trust's position and approach is to consult and discuss with employees, through team representatives and at meetings, matters likely to affect employees' interests. Information about matters of concern to employees is given through bulletins and briefings, which seek to achieve a common awareness of important factors faced by the Academy Trust, and to provide an authentic attention to staff workload and well-being. School leaders have introduced Staff Pulse, to gauge staff views routinely on various operational and developmental matters. An example of engagement with employees during 2022/23, surrounded the operational arrangements for teaching and movement around the School linked to the delivery of the curriculum and timetable. Changes were implemented in response to a strength of staff voice referenced to well-being and a detrimental sense of being detached from an identified and 'owned' (as far as is practicable) teaching space.

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned – and the School's ability and capacity where necessary and appropriate to put in place reasonable adjustments. In the event of a member of staff becoming disabled, every effort is made to ensure that their employment within the Academy Trust continues. Career development and promotion of disabled persons should as far as possible be identical to that of other employees.

Objectives and activities

a. Objects and aims

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

- Advance education for public benefit
- Establish and manage a School with a broad and balanced curriculum
- Provide for Initial Teacher Education and further advanced training for qualified teachers, including but not limited to Masters level programmes.

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

Objectives and activities (continued)

b. Objectives, strategies, activities and public benefit

The key priorities for the year are contained in the Academy Trust's School Improvement Plan, which is available from the Principal.

The key activities for the Academy Trust for the year ended 31 August 2023 were focussed as follows:

- An overarching framework of character education which will build students' confidence, resilience, and personal qualities so that they are able to become self-organised and motivated citizens and scholars able to make the most of their personal development and curriculum opportunities, and;
- A traditional academic subject-based curriculum which will use a carefully formulated blend of content and process to help students attain the highest possible outcomes.

The Sixth Form is the crucial link between the 11-16 School and higher education; it plays a number of key roles:

- Its presence involves the University Departments at the outset, facilitating collaboration between the University and the School, attracting the best staff and supporting the development of School-led and work-based approaches to initial and on-going teacher education and training.
- It also provides the aspiration for achievement and progression for younger pupils from the outset, as advancement to post-16 academically challenging education will be seen as the norm.

This approach is shaped by our belief that maximising a pupil or student's potential is not just about giving them knowledge, but about shaping the whole person, including their personal capabilities and character through enrichment activities, a thoughtful and engaged system of pastoral care, and a community including older students, teachers, trainee teachers, and mentors and coaches drawn from the University's own students and staff.

This focus on character education and the development of personal qualities and virtues will ensure the School fulfils the requirements of its funding agreement to promote 'values for a modern Britain, of democracy, the rule of law, individual liberty, and mutual respect and tolerance of those with different faiths and beliefs'.

c. Public benefit

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

The details of the particular activities of the Academy Trust during the year and how these have provided public benefit are detailed in the Achievements and Performance section below.

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

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

Objectives and activities (continued)

d. Strategic report

Achievements and performance

The Academy Trust continues to evolve and to adapt to the ever-changing educational environment. The Academy Trust is committed to continual improvement, which is achieved in a number of ways; including improvement planning, review meetings, continual professional development, lesson observations, coaching, performance management, self-evaluation, data analysis and action planning. The particular achievements and performance of the Academy Trust during the year ended 31 August 2023 included:

- Ahead of the 2022/23 academic year, the School recruited its eighth full cohort of pupils into year 7, further adding to the diverse and inclusive community which was created in the School's first and subsequent years of operation. Using the nodal admissions the School recruited its 150 year 7 pupils from four distinct areas of the city - its own Selly Oak locality, Hall Green, Small Heath and the Jewellery Quarter. There were 1,729 applications to the School for year 7 places - over 11 applications for each available place. Of these, 251 applications were from parents and carers who selected the School as their first choice. During 2022/23 admissions processes were completed in readiness for September 2023 entry to year 7, where broadly similar levels of applications were received. There is strong confidence within communities and from families in the School, given the level of interest seen.
- The School also received 1,100 applications for the 220 places available in year 12 in September 2022 – broadly replicated across 2022/23 in readiness for sixth form entry in September 2023. The Sixth Form has a pupil admission number of 400 (in total across year 12 and year 13) which is now established and secure. Students join the School's sixth form from broadly 70 schools across the city (including our own) laying testament to one of the Academy Trust's founding principles to be 'a School for the city of Birmingham'.

Standards at GCSE – summer 2023:

- In year 11, 80% of pupils gained grade 4+ in mathematics (national 2023 61%)
- In year 11, 80% of pupils gained grade 4+ in English Language (national 2023 65%)
- In year 11, 20% of pupils gained grade 7+ in mathematics (national 2023 17%)
- In year 11, 22% of pupils gained grade 7+ in English Language (national 2023 16%)
- In year 11, 54% of pupils gained at least a grade 5 in both English and mathematics (national in 2019 43%)
- 40 of the 153 pupils in year 11 gained at least 5 passes at a grade 7+ standard alongside other passes
- Core headline indicators and baselines (taken as 2019 in a national return broadly to pre-Covid standards) are detailed here:

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TRUSTEES' REPORT (CONTINUED)
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Objectives and activities (continued)

KPI	2022/23 Achieved (UoBS)	2018/19 National Average	Achieved vs 2018/19 National Average
Progress 8 (P8)	+0.18	0	+0.18
Attainment 8 (A8)	50.42	46.7	+3.72
EBacc APS	4.65	4.07	+0.58
EBacc Entry %	65	40	+25
% grade 5+ in E&M	54	43	+11
% grade 4+ in E&M	72	65	+7
% grade 9-7	25	21	+4
% grade 9-5	62	51	+11
% grade 9-4	77	70	+7
A8 in English	10.97	9.9	+1.07
A8 in Mathematics	9.85	9.1	+0.75
A8 in EBacc	15.35	13.5	+1.85
A8 in Open subjects (other subjects)	14.26	14.2	+0.06

Standards at A level – summer 2023:

From a cohort of 181 students particular congratulations go to our highest attaining learners, with 28 students attaining no lower than AAB from their subject combination.

- Core headline indicators and baselines (taken as 2019 in a national return broadly to pre-Covid standards) are detailed here:

KPI	2018/19	2021/22	2022/23	National Average	22/23 vs Nat Av.
Average points score (APS)	31.17	37.8	32.5	-	-
Average grade	C	B-	C+	-	-
% grades A*-A	23%	35%	17%	-	-
% grades A*-B	51%	62%	48%	53%	-5%
% grades A*-E	98%	99%	96%	97%	-1%
% grades AAB in facilitating subjects	14%	23%	12%	17% (2019)	-5%

Year 11 – destinations information 2023:

Whilst we continue to determine the onward pathways for a number of pupils, almost all have been supported to ambitious and appropriate next steps:

The year 11 cohort was 155 pupils. These include:

- 55 progressing to studies at University of Birmingham School Sixth Form
- 65 progressing to post-16 education at a college
- 10 progressing to alternative A level sixth forms

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

Objectives and activities (continued)

- 4 continuing with blended programmes, such as through Birmingham City Football College
- 1 commencing employment

Of those progressing to college courses, the most popular onward choices were Cadbury College, Solihull College, Halesowen College, and University College Birmingham.

Year 13 - destinations information 2023:

	2023			2022	
	Number	% of year group		Number	% of year group
Total Leavers	181	100%		190	100%
Placed at University	144	80%		154	81%
University of Birmingham	26	14%		33	17%
Russell Group	51	28%		57	30%
Medicine	6			4	
Oxbridge	1			1	
Gap Year	27	15%		28	15%
Employment	1			4	
Unknown	0			0	
FE College	2			1	
Study Abroad	3			1	
Apprenticeship	4			2	

- The most popular degree programmes taken-up were in biology and health related disciplines; engineering; computer science; business and finance; psychology; law; and architecture.

Ofsted Inspection

Trustees and School leaders are ambitious for the University of Birmingham School to gain recognition as an Ofsted outstanding School at its earliest opportunity. The ambition is outlined in the School's strategic intents.

During 2022/23, the University of Birmingham School received a routine inspection from Ofsted (June 2023). The inspection spanned two days, and was the first inspection since 2018.

The inspection concluded that the School remains a good school.

There were a number of strengths recognised including that:

- Pupils enjoy coming to The University of Birmingham School. There is a vibrant and diverse environment, where all pupils are very much valued. All pupils, including those with special educational needs and/or disabilities (SEND), benefit a great deal from coming to this school. Pupils say they feel safe.
- Leaders have very high aspirations for all pupils. As a result, pupils are gaining an education that prepares them very well for a successful life beyond school. Leaders prioritise pupils' character development and academic achievement equally.

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

Objectives and activities (continued)

- Pupils behave very well around school. They have positive attitudes and are courteous.
- Leaders have ensured that all pupils study a broad and ambitious curriculum in all key stages. In the sixth form, students are able to choose from a wide range of A-level subjects. The vast majority move on to university.
- Pupils' wider development is supported exceedingly well.
- Governors are very knowledgeable and well informed. Their relationship with senior leaders is professional and one that provides challenge. They ensure that the school fulfils its statutory duties in full.
- The arrangements for safeguarding are effective - safeguarding is at the heart of everything the school does.

A few areas for improvement were highlighted – most notably to improve aspects of communication with parents and carers and to ensure that there is greater consistency of checking for understanding by teachers before moving pupils and students to new learning.

Character education and enrichment

The School's Learning for Life (L4L) programme received praise by Ofsted inspectors, who mentioned the positive impact that the School's bespoke character and virtues education programme has on pupils. The School's CEIAG (careers education) provision ensures that pupils are aspirational – whilst other work around personal development allows that they feel safe, and behave towards one another with respect and understanding.

In addition to the enrichment offered within the School week, the School continues to build an impressive portfolio of opportunities for pupils before and after School. Pupils now choose to take part in before and after School badminton, after School football, and there is significant take-up of music lessons from the Music Service. Challenge week ran in the summer term in full, after recent years where the pandemic had restricted activities of provision. The School also runs the Duke of Edinburgh scheme, with intentionally universal access for the year 9 cohort. The School remains focused and committed to wider experiences offered by the scheme, and was able to provide across all levels (bronze, silver, and gold) from September 2022.

Enrichment and extra-curricular opportunities have also grown; the School continues to extend links with the University of Birmingham which has led to bespoke enrichments around engineering, sustainability, linguistics (in French), geology, and archaeology – with more still planned including a range of social action and equity focused projects.

University Partnership

The partnership between School and University has been developed over the course of the year, with significant activity around initial teacher education (ITE) and volunteering projects for the benefit of the School.

Once more, all secondary PG Dip Ed students took part in serial placements, which saw them visit the School at various points across the School year – and within space and resourcing constraints, around twenty core trainee placements were facilitated.

The School continues to embed its vision that it is a place of continual teacher education, enabling and assisting the continuous professional development of teachers from across the city and will do so via the partnership with the University. The Rush Hour Research series of events aims to help staff from both the School and other institutions continue to be research-informed and to develop their curiosity and love of lifelong learning. The School continues to receive much interest from other schools, colleges, and jurisdictions both nationally and internationally, around its character and virtue education approaches – with leaders and teachers from elsewhere visiting the school or engaging with presentations delivered beyond the School.

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

Objectives and activities (continued)

Continual professional development with the University has also benefitted teachers at the School with the University's training department supporting the School in the development of coaching. Furthermore, four teachers at the School were able to undertake their Masters in either Teaching Studies or Education Leadership or Character Education at the University. The School coordinated and hosted a regional event in June 2023 for science and other subject technicians, attracting almost 300 attendees for a day of networking, collaboration, and professional development.

a. Key performance indicators and plans for future periods

Trustees ratified the School Improvement Plan in the autumn term 2022 for the School's senior leadership team to work to throughout the academic year. Progress towards meeting School aims, objectives, and priorities for development is reviewed termly and reported. The plan plays close regard to the School's intention to be designated as outstanding at inspection – motivated in moving from good to exceptional in all areas and to deliver on overarching aims to foster flourishing citizens and successful scholars.

Key performance indicators include progress of all children, GCSE outcomes, A level outcomes, transition data evidencing where young people have been successfully supported at 16+ or 18+ to their next pathway, attendance figures, and recruitment numbers.

Learning Recovery (Remaining alert to the sustained impacts of Covid-19)

School leaders recognise the detrimental impact of the Covid-19 pandemic on children and families – and moreover that this impact will not have occurred evenly. During 2022/23 the School devised and published a plan for learning recovery (catch-up) including accounting for costs and planned spend from the allocated Catch-Up Premium. This involved the School's engagement with the National Tutoring Programme and a range of partners more widely. Whilst it is not straightforward to determine the impact of these actions and support at this stage, the School's implementation and work was recognised by NTP, which asked for the University of Birmingham to publish a case study. Leaders recognise above and beyond this helpful additional strand of support, the overriding importance of quality first teaching, support, and provision with reference to sustainable recovery – with high quality core business at the heart of the School's daily work.

b. Going concern

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

The Governing Body is confident, with reference to continued strength of pupil and student recruitment, and in relation to prudent financial management, that it has adequate resources to continue in operational existence for the foreseeable future. This assessment is based upon known income and expenditure, levels of reserves held, its continued ability to recruit pupils / students and staff together with the strength of its Members and Trustees. The School maintains a comprehensive Risk Register with identified risks mitigated wherever possible.

THE UNIVERSITY OF BIRMINGHAM SCHOOL
(A company limited by guarantee)

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

Financial review

For the year ended 31 August 2023, the Academy Trust's total income (excluding capital grants) was £8,766,000 (2022: £8,039,000) while the total expenditure (excluding depreciation and LGPS FRS102 pension cost charges) was £8,281,000 (2022: £7,792,000), resulting in a net operating surplus for the year of £485,000 (2022: £247,000) before a transfer of £178,000 which represents revenue funds being used for capital additions in the year.

The balance of reserves at 31 August 2023, excluding the restricted fixed asset funds and LGPS liability fund was £2,247,000 (2022: £1,940,000).

The majority of the School's restricted income is obtained from the Department for Education (DfE) via the Education and Skills Funding Agency (ESFA) in the form of revenue and capital grants the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2023 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The School continues to benefit from increased student numbers in Sixth Form. The School was funded for 387 students during the year, broadly in line with the previous year (386). In 2023/24, we are confident that student numbers will be 400, in line with the School's founding intent. Historically this has been an area of risk to the School – failure to recruit into Year 12 resulted in a number of financial clawbacks.

Throughout 2022/23, it has been possible to step-up lettings including for community access, opening up the funding stream available to the School that was necessarily curtailed during recent years because of the Covid-19 pandemic and associated restrictions.

School leaders and Trustees remain alert to the financial risk from rapidly rising energy costs and staff costs (premised on national cost of living contexts, inflation, and higher than anticipated pay awards). Whilst there are some mitigations ongoing nationally from Government, such as energy-price capping, budgets have been re-forecast within prudent parameters, and the impact of the School's overall resources will be closely monitored across 2023/24. In the short term, the School benefits from resilience through reserves held.

The Academy Trust's balance sheet is impacted by significant depreciation and pension costs. These result in a significant deficit each year (2023: £1,024,000 and 2022: £1,338,000) although as can be seen above, the Academy Trust has achieved a net operating revenue surplus in every year of its existence.

The School maintains a healthy surplus balance. The School uses the Academy Trust Handbook to inform its own financial policies and procedures.

THE UNIVERSITY OF BIRMINGHAM SCHOOL
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

a. Reserves policy

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

The Trustees have determined that the appropriate level of operating reserves should be approximately 12% of total incoming resources. The reason for this is to provide sufficient working capital to cover delays between spending and receipts of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance, long-term staff absences and suchlike.

The Academy Trust's current level of operating reserves at 31 August 2023 is £2,247,000 (2022: £1,940,000), which is made up of restricted income reserves of £1,367,000 (2022: £1,369,000) and unrestricted funds of £880,000 (2022: £571,000).

Although the current level of operating reserves is above the target level identified above, the Trustees expectation is that these reserves will be utilised over the next few years to fund the ongoing development of the Academy Trust, including the need to retain key staff in light of the increasing cost pressures in future years and the need to fund ongoing capital projects and developments.

The value of the restricted fixed asset fund at 31 August 2023 is £16,741,000 (2022: £17,517,000), which is represented by the fixed assets that are used exclusively for providing education and associated support services to the pupils of the Trust. These funds can only be realised by disposing of the associated tangible fixed assets.

The pension reserve fund has a balance at 31 August 2023 of £Nil, which represents the capped asset in the LGPS at the balance sheet date. With the LGPS, Academy Trust is required to make additional pension contributions over a number of years in order to fund the deficit. These additional pension contributions will be funded from the Trust's annual recurring income, which may significantly impact its ability to continue to deliver its educational outcomes with the available public funding it receives. The Trustees have noted however that the Government has provided a guarantee that in the event of an Academy closure, any outstanding LGPS liabilities would be met by the Department for Education.

Maintaining an appropriate level of financial reserves is considered essential to protect the School from financial risk. Risks include cuts to funding, unexpected falls in pupil / student numbers, unexpected expenditures and suchlike. These funds will be carried forward without limit but having regard to the School's annual budget, payroll costs, known commitments and 5-Year Forward Financial Plan. A portion of unrestricted reserves will be used for ongoing replacement of IT hardware as and when the existing stock reaches the end of its useful life. Other expenditure will support the School's improvement planning and strategic intents.

b. Investment policy

The School aims to manage its cash balances for the day-to-day working of the School whilst protecting the real long-term cash value of any surpluses against inflation. During 2022/23, the School placed £1,000,000 of funds to a deposit account with a six-month restriction on access to those funds. This decision recognises rapidly increasing interest rate changes driven by national fiscal policy. Trustees have regard for the regulatory requirements outlined in the Academy Trust Handbook and the ESFA with reference to the management of reserve funds and investments.

THE UNIVERSITY OF BIRMINGHAM SCHOOL
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

c. Principal risks and uncertainties

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

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

Financial

- The Academy Trust has considerable reliance on continued Government funding through the ESFA (and Local Authority). In the year, approximately 96% of the Academy Trust's income was ultimately Government funded. Whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms, particularly in light of continuing changes in the National Funding Formula for schools.
- Continuing increases in employment costs, including pension costs association with both the Teachers' Pension Scheme and the Local Government Pension Scheme, and premises costs will also continue to place significant pressure on the Trust's financial position and its ability to deliver balanced budgets in the future.
- The Trustees examine the financial health of the Academy Trust formally every term, reviewing performance against budgets and overall expenditure by means of regular update reports at all full Trustees and Resources Committee meetings.
- At the balance sheet date, the Academy Trust had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on the Academy Trust's liquidity.
- The Trustees recognise that the LGPS deficit represents a significant potential liability to the Academy Trust. However, as the Trustees consider the Academy Trust is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is minimised.

Staffing

- The success of the Academy Trust is reliant on the quality of its staff so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning. Loss of key and skilled staff could arise due to workload pressures, well-being, or lack of opportunity to progress professionally. Leaders review ongoing working practices to support work-life balance and staffing capacity. Where vacancies do arise and whilst staff structural changes are being further considered to both meet the priorities for the School and provide career development opportunities, leaders will ensure that core business needs are prioritised.
- Demands placed on the School's overall resources - including teachers - in meeting the needs of a large number of children with high needs. School leaders continue to work proactively with colleagues and representatives at the LA within SENAR.

Education

- The School encounters challenges in sustaining a cohesive and affordable enrichment programme which risks compromising one of the key distinctive features of the School. Leaders remain committed to the wider learning opportunities provided to pupils and students – and will work increasingly within creative partnerships and with stakeholders to develop funding streams and other no-cost options and activities.

THE UNIVERSITY OF BIRMINGHAM SCHOOL
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

- With public examinations resumed from summer 2022 after cancellations in 2020 and 2021 nationally, it is recognised that the School might struggle to demonstrate success in relation to academic impact, arising from disruptions to learning and variance in high quality and stable provision for pupils and students. Senior leaders, subject leaders, and staff have been and remain watchful of the need for supported and continuous recovery - academically, socially, and emotionally in relation to mental health and self-esteem and confidence – with a wide range of academic and pastoral interventions and personalisation in place where appropriate and within available resources.
- School leaders and Trustees recognise the disproportionate impact of financial hardship on pupils, students, and families at a time where cost of living pressures are for many acute. Where children are in situations of relative poverty, there is a risk to fundamental welfare and well-being, which would inevitably threaten academic progress and learning. Staff and especially pastoral leaders at the School are alert to this, and within available and fair means, the School seeks to provide support in such cases.

Failures in Governance and / or Management

- The risk in this area arises from the potential failure to effectively manage the Academy Trust's finances, internal controls, compliance with regulations and legislation, statutory returns etc. The Trustees continue to review and ensure appropriate measures are in place to mitigate these risks, which includes those relating to fraud and mismanagement of funds. In June 2023, Ofsted recognised strong and informed governance.

Fraud and Mismanagement of Funds

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

Fundraising

- The Academy Trust has not undertaken any material fundraising activities during the year ended 31 August 2023.

Plans for future periods

The Academy Trust's plans for future periods are driven by the School's strategic intents which aim to:-

- Provide strategic reach and/or growth for the Academy Trust,
- Further its work and intentions in striving to be an outstanding School in all regards – in line with its aims to foster flourishing citizens and successful scholars,
- And define more comprehensively its distinctive nature as a University Training School and the associated contribution of a UTS model to teacher training and continuing professional development, indeed with research and evidence informed practice at its heart.

Funds held as custodian on behalf of others

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

The Academy does however hold Post 16 Bursary Funds on behalf of the ESFA, which are distributed to students as required and in line with the terms and conditions of the funds.

THE UNIVERSITY OF BIRMINGHAM SCHOOL
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Disclosure of information to auditor

In so far as the Trustees are aware:

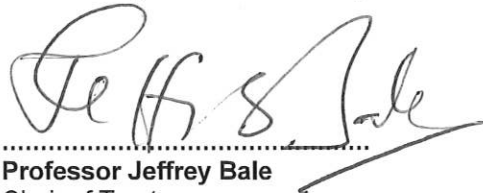
There is no relevant audit information of which the company's auditor is unaware; and

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.

Auditor

Cooper Parry have been appointed as auditors of the Company under Section 485 of the Companies Act 2006.

The Trustees' report was approved by order of the Board of Trustees, as the company directors, on 7 December 2023 and signed on its behalf by:



.....
Professor Jeffrey Bale
Chair of Trustees

THE UNIVERSITY OF BIRMINGHAM SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that University of Birmingham 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 Principal, as Accounting Officer, for ensuring financial controls conform to 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 University of Birmingham School and the Secretary of State for Education. The Principal is 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 4 times during the year ended 31 August 2023, with delegated sub-Committees additionally meeting each term.

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

Trustee	Meetings attended	Out of a possible
Professor Jeffrey Bale, Chair	4	4
Mr Joey Islam, Vice Chair	3	4
Mr Ernest Addo-Boateng (resigned May 2023)	3	3
Professor Julie Allan	3	4
Professor Richard Black	4	4
Ms Anna Brinkworth	3	4
Mrs Nicola Bradfield	3	4
Mr Mark Davis (appointed December 2022)	2	2
Dr Claudia Favero (term of office expired June 2023)	3	3
Ms Cathy Gilbert	1	4
Ms Natalie Howard (term of office expired March 2023)	0	2
Professor Prem Kumar	2	4
Ms Fionnuala O'Connor	4	4
Professor Andrew Peterson	1	4
Mr Mark Senior	3	4
Mr Stephen Washbourne	3	4
Mrs Katy Watkin	4	4
Professor Deborah Youdell (resigned March 2023)	2	2
Mr Colin Townsend, Accounting officer (Ex Officio)	4	4

THE UNIVERSITY OF BIRMINGHAM SCHOOL
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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Resources Committee is a sub-committee of the main Board of Trustees. Its purpose is to provide oversight, guidance and assistance to the Board of Trustees on all matters related to finance, resources, premises and health & safety of the Academy Trust. .

Attendance at meetings of the Resources sub-Committee was as follows:

Trustee	Meetings attended	Out of a possible
Professor Jeffrey Bale, Chair	3	3
Professor Richard Black	2	3
Mr Joey Islam	2	3
Mr Mark Senior	2	3
Mr Stephen Washbourne	3	3
Mr Colin Townsend, Accounting Officer (Ex-Officio)	3	3

The key issue(s) dealt with by the Resources Committee during the year was the review of the Academy Trust's 3-year financial forecasts, and financial resilience.

The Audit Committee is also a sub-committee of the Board of Trustees. Its purpose is to maintain an oversight of the Trust's governance, risk management, internal control and value for money framework. It reports its findings annually to the Board of Trustees and the Accounting Officer as a critical element of the Trust's annual reporting requirements.

Attendance at meetings of the Audit Committee during the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr Joey Islam, Chair	3	3
Professor Jeffrey Bale (in attendance)	3	3
Mrs Nicola Bradfield	3	3
Mr Pradeep Chaudhari, Co-opted	1	3
Ms Cathy Gilbert	3	3
Mr Colin Townsend, Accounting Officer (in attendance)	3	3

The key issues dealt with by the Audit Committee during the year were the review of the risk register and review of the reports received from University of Birmingham auditors in relation to the Trust's systems of internal control and the actions undertaken to address any control weaknesses identified.

Review of value for money

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

The Accounting Officer considers how the School's use of its resources has provided good value for money, during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate and available.

The Accounting Officer for the School has delivered value for money during the year by:

- Securing good progress against School improvement objectives
- Delivering academic outcomes for pupils in year 11 and students in year 13 that are at least in line with national averages and benchmarks, and in many cases better in relation to national trend benchmarks

THE UNIVERSITY OF BIRMINGHAM SCHOOL
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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

- Receiving on behalf of the School a commendable Ofsted inspection report
- Ensuring that pupil and student recruitment processes lead to secure recruitment outcomes and thus the financial security of the School as a going concern
- Working with the University of Birmingham to access donations and grants available to the School, which allows the School to continue to offer additional provision, such as the enrichment programme without compromising core School activity
- Maintaining best value financial regulations and protocols for the procurement of goods and services – and reviewing these periodically to assess and ensure ongoing best value for the School
- Ensuring that the staffing structure is as effective as possible in serving the needs of the School and it in advancing its aims and objectives.

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 an on-going process designed to identify and prioritise the risks to the achievement of the School'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 at University of Birmingham School for the period 1 September 2022 to 31 August 2023 and is up to date at approval of the annual report and financial statements.

Capacity to handle risk

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

The risk and control framework

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

- Comprehensive budgeting and monitoring systems with an annual budget and regular monthly financial reports which are reviewed and agreed by Trustees
- 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
- Following the School's defined purchasing guidelines and financial procedures

THE UNIVERSITY OF BIRMINGHAM SCHOOL
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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

- Delegation of authority and segregation of duties
- Identification and management of risks.

The Board of Trustees has decided engage an internal audit service from University of Birmingham for this purpose.

On a termly basis, the internal auditor reports to the Board of Trustees through the Audit Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and each year prepares an annual summary report to the Committee outlining the areas reviewed, key findings, recommendations and conclusions to help the Committee consider actions and assess year on year progress.

The internal auditor has delivered their program of work during the year ended 31 August 2023 as planned. A number of internal control weaknesses were identified from the work completed and the Trustees and management have developed an action plan to address these weaknesses and improve internal controls over the next 6 months. The key remedial actions being undertaken by the Academy Trust are related to data mapping and business continuity.

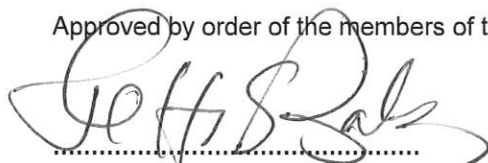
Review of effectiveness

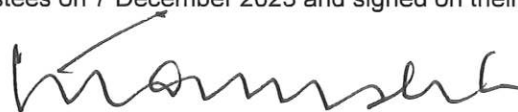
As Accounting Officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. During the year ended 31 August 2023, the review has been informed by:

- The work of the internal auditor;
- The work of the external auditor;
- The financial management and governance self-assessment process, including the School Resource Management Self-Assessment Tool;
- The work of the Senior Leaders within the Academy Trust who have responsibility for the development and maintenance of the internal control framework;

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Audit Committee 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 on 7 December 2023 and signed on their behalf by:


.....
Professor Jeffrey Bale
Chair of Trustees


.....
Mr Colin Townsend
Accounting Officer

THE UNIVERSITY OF BIRMINGHAM SCHOOL
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STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

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

I confirm that the School's Board of Trustees and I are able to identify any material irregular or improper use of funds by the School, or material non-compliance with the terms and conditions of funding under our funding agreement and the Academy Trust Handbook 2022.

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



Mr Colin Townsend
Accounting Officer
Date: 7 December 2023

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

The Trustees (who act as Trustees of University of Birmingham School and are also 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 United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

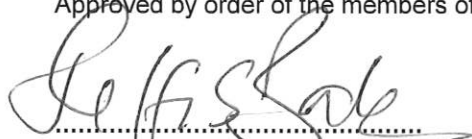
- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards (FRS102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform to the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the Education and Skills Funding Agency, and the Department for Education have been applied for the purposes intended.

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

Approved by order of the members of the Board of Trustees on 7 December 2023 and signed on its behalf by:


.....
Professor Jeffrey Bale
Chair of Trustees

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

Opinion

We have audited the financial statements of The University of Birmingham School (the 'Academy Trust') for the year ended 31 August 2023 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 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 Academy Trust's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 Academy Trust 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 Academy Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

THE UNIVERSITY OF BIRMINGHAM SCHOOL
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**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
UNIVERSITY OF BIRMINGHAM 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, which includes the Strategic Report and the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and.
- the Strategic Report and the Directors' Report included within the Trustees' 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 Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included within the Trustees' Report..

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

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

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement set out on page 19, the Trustees (who are also the Directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

THE UNIVERSITY OF BIRMINGHAM SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
UNIVERSITY OF BIRMINGHAM 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.

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

Our assessment focussed on key laws and regulations the Academy Trust has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, Charities Act 2011, the Academy Trust Handbook 2022, the Academies Accounts Direction 2022 to 2023, taxation legislation, data protection, anti-bribery and employment legislation.

We are not responsible for preventing irregularities, including fraud. Our approach to detecting irregularities, including fraud, included, but was not limited to, the following:

- Obtaining an understanding of the legal and regulatory framework applicable to the Academy Trust and how the Academy Trust is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- Obtaining an understanding of the Academy Trust's control environment and how the Academy Trust has applied relevant control procedures, through discussions with Trustees and other management and by reviewing the reports on the internal scrutiny work commissioned by the trust in relation to the year and by performing walkthrough testing over key areas;
- Obtaining an understanding of the Academy Trust's risk assessment process, including the risk of fraud;
- Reviewing meeting minutes of those charged with governance throughout the year; and
- Performing audit testing to address the risk of management override of controls, including testing 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 bias.

Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection of fraud based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

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

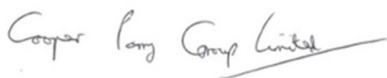
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

THE UNIVERSITY OF BIRMINGHAM SCHOOL
(A company limited by guarantee)

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

Use of our report

This report is made solely to the Academy Trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy Trust'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 Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Glen Bott FCA (Senior statutory auditor)

for and on behalf of

Cooper Parry Group Limited

Statutory Auditor

Cubo Birmingham

Two Chamberlain Square

Birmingham

B3 3AX

Date: 14 December 2023

THE UNIVERSITY OF BIRMINGHAM SCHOOL
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE
UNIVERSITY OF BIRMINGHAM SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 2 July 2020 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 The University of Birmingham 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 The University of Birmingham School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The University of Birmingham 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 The University of Birmingham School and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The University of Birmingham School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The University of Birmingham School's funding agreement with the Secretary of State for Education dated 2 February 2015 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.

THE UNIVERSITY OF BIRMINGHAM SCHOOL
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE
UNIVERSITY OF BIRMINGHAM 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 Trust's income and expenditure.

The work undertaken to draw our conclusions included:

- Reviewing the internal control policies and procedures implemented by the Academy Trust and evaluating their design and effectiveness to understand how the Academy Trust has complied with the framework of authorities, including reviewing the reports on the internal scrutiny work commissioned by the trust in relation to the year.
- Reviewing the minutes of meetings of the Trustees, relevant sub-committees and other evidence made available to us, relevant to our consideration of regularity;
- Enquiries of the Accounting Officer, including reviewing the work undertaken by the Accounting Officer in relation to their Statement on Regularity, Propriety and Compliance; and
- Detailed testing of the income and expenditure of the Academy Trust based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit of 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 suggest 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
Cooper Parry Group Limited
Statutory Auditor

Date: 14 December 2023

THE UNIVERSITY OF BIRMINGHAM SCHOOL
(A company limited by guarantee)

**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	6	-	71	77	27
Other trading activities	5	286	-	-	286	221
Investments	6	18	-	-	18	-
Charitable activities		-	8,454	-	8,454	7,795
Teaching schools		-	2	-	2	20
Total income		310	8,456	71	8,837	8,063
Expenditure on:						
Charitable activities	8	1	8,350	1,025	9,376	9,401
Total expenditure		1	8,350	1,025	9,376	9,401
Net income/(expenditure)		309	106	(954)	(539)	(1,338)
Transfers between funds	17	-	(178)	178	-	-
Net movement in funds before other recognised gains		309	(72)	(776)	(539)	(1,338)
Other recognised gains:						
Actuarial gains on defined benefit pension schemes	23	-	403	-	403	2,270
Net movement in funds		309	331	(776)	(136)	932
Reconciliation of funds:						
Total funds brought forward		571	1,036	17,517	19,124	18,192
Net movement in funds		309	331	(776)	(136)	932
Total funds carried forward		880	1,367	16,741	18,988	19,124

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

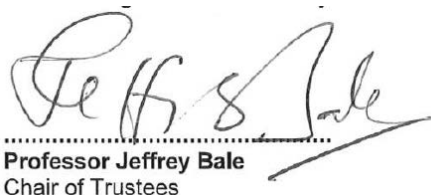
The notes on pages 34 to 56 form part of these financial statements.

THE UNIVERSITY OF BIRMINGHAM SCHOOL
(A company limited by guarantee)
REGISTERED NUMBER: 07960887

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £000	2022 £000
Fixed assets			
Tangible assets	14	16,741	17,517
		<u>16,741</u>	<u>17,517</u>
Current assets			
Debtors	15	184	378
Cash at bank and in hand		2,490	2,177
		<u>2,674</u>	<u>2,555</u>
Creditors: amounts falling due within one year	16	(427)	(615)
Net current assets		<u>2,247</u>	<u>1,940</u>
Total assets less current liabilities		<u>18,988</u>	<u>19,457</u>
Net assets excluding pension asset / liability		<u>18,988</u>	<u>19,457</u>
Defined benefit pension scheme asset / liability	23	-	(333)
Total net assets		<u><u>18,988</u></u>	<u><u>19,124</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	17	16,741	17,517
Restricted income funds	17	1,367	1,369
Restricted funds excluding pension asset	17	18,108	18,886
Pension reserve	17	-	(333)
Total restricted funds	17	<u>18,108</u>	<u>18,553</u>
Unrestricted income funds	17	880	571
Total funds		<u><u>18,988</u></u>	<u><u>19,124</u></u>

The financial statements on pages 31 to 56 were approved by the Trustees, and authorised for issue on 07 December 2023 and are signed on their behalf, by:


Professor Jeffrey Bale
 Chair of Trustees

The notes on pages 34 to 56 form part of these financial statements.

THE UNIVERSITY OF BIRMINGHAM SCHOOL
(A company limited by guarantee)

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	19	474	503
Cash flows from investing activities	20	(161)	(159)
Change in cash and cash equivalents in the year		313	344
Cash and cash equivalents at the beginning of the year		2,177	1,833
Cash and cash equivalents at the end of the year	21, 22	<u>2,490</u>	<u>2,177</u>

The notes on pages 34 to 56 form part of these financial statements

THE UNIVERSITY OF BIRMINGHAM 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), judgements and key sources of estimation uncertainty, is set out below.

1.1 Basis of preparation of financial statements

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the 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.

1.2 Going concern

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

1.3 Income

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

- **Legacies**

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Academy Trust has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Academy Trust, can be reliably measured.

- **Grants**

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

General Annual Grant is recognised in full in the Statement of financial activities in the 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.

THE UNIVERSITY OF BIRMINGHAM SCHOOL
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.3 Income (continued)

- **Sponsorship income**

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

- **Donations**

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

- **Other income**

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

1.4 Expenditure

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

THE UNIVERSITY OF BIRMINGHAM SCHOOL
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.6 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 Statement of financial activities and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Depreciation is provided on the following bases:

Long-term leasehold property	- over 25 years for main building/over 43 years for OLRC building
Furniture and equipment	- over 5 years
Computer equipment	- over 5 years

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

1.7 Debtors

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

1.8 Cash at bank and in hand

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

1.9 Liabilities

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

THE UNIVERSITY OF BIRMINGHAM SCHOOL
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.10 Financial instruments

The Academy Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy Trust and their measurement 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 15. Prepayments are not financial instruments.

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

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

1.11 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is 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 Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of financial activities 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.

Where the present value of the defined benefit obligations at the Balance Sheet date is less than the fair value of scheme assets at that date, the scheme has a surplus. The scheme surplus is recognised as a defined benefit plan asset by the Academy Trust only to the extent that the Academy Trust is able to recover the surplus either through reduced contributions in the future or through refunds from the scheme.

THE UNIVERSITY OF BIRMINGHAM SCHOOL
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.12 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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.

Investment income, gains and losses are allocated to the appropriate fund.

2. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, 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 2022 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.

To the extent that there is a surplus in the Local Government Pension Scheme at the Balance Sheet date, there is significant judgment needed in assessing whether the surplus should be recognised as a pension asset or whether the surplus should be restricted to some level or in total. This assessment will need to consider whether the Academy Trust, as the employer, has an unconditional right to a refund of the surplus in the scheme and whether there is an economic accounting benefit available to the Academy Trust as a contribution reduction, which will also include assessing whether a minimum funding requirement for future service and/or past service exists in the scheme. The impact of these assessments, on the extent to which the scheme surplus has been recognised as a pension asset at the Balance Sheet date, are set out in note 23.

THE UNIVERSITY OF BIRMINGHAM SCHOOL
(A company limited by guarantee)

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

3. Income from donations and capital grants

	Unrestricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Donations	6	-	6	3
Capital Grants	-	71	71	24
	6	71	77	27
Total 2022	3	24	27	

4. Funding for the Academy Trust's educational operations

	Restricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
DfE/ESFA grants			
General Annual Grant (GAG)	7,138	7,138	6,719
Other DfE/ESFA grants			
Pupil Premium	339	339	307
Teachers Pay / Pension Grant	82	82	107
National tutoring	49	49	44
Supplementary grant	164	164	67
Other DfE Group grants	126	126	59
	7,898	7,898	7,303
Other Government grants			
Local authority grants	312	312	277
	312	312	277
Other income from the School's educational operations	162	162	155
COVID-19 additional funding (DfE/ESFA)			
Catch-up / Recovery Premium	82	82	42
Mass testing	-	-	18
	82	82	60
	8,454	8,454	7,795

THE UNIVERSITY OF BIRMINGHAM SCHOOL
(A company limited by guarantee)

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

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

	8,454	8,454	7,795
	<u>8,454</u>	<u>8,454</u>	<u>7,795</u>
Total 2022	<u>7,795</u>	<u>7,795</u>	

5. Income from other trading activities

	Unrestricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Hire of facilities	66	66	65
Trips/Music	88	88	117
Third Party	8	8	11
Other	124	124	28
	<u>286</u>	<u>286</u>	<u>221</u>
Total 2022	<u>221</u>	<u>221</u>	

6. Investment income

	Unrestricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Interest received	18	18	-
	<u>18</u>	<u>18</u>	<u>-</u>

THE UNIVERSITY OF BIRMINGHAM SCHOOL
(A company limited by guarantee)

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

7. Expenditure

	Staff Costs	Premises	Other	Total	Total
	2023	2023	2023	2023	2022
	£000	£000	£000	£000	£000
School's Educational Operations:					
Direct costs	4,751	300	1,096	6,147	5,905
Allocated support costs	1,878	1,216	134	3,228	3,496
	<u>6,629</u>	<u>1,516</u>	<u>1,230</u>	<u>9,375</u>	<u>9,401</u>
Total 2022	<u>6,623</u>	<u>1,723</u>	<u>1,055</u>	<u>9,401</u>	

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds	Restricted funds	Total	Total
	2023	2023	2023	2022
	£000	£000	£000	£000
Teaching and educational support staff costs	1	9,375	9,376	9,401
	<u>1</u>	<u>9,375</u>	<u>9,376</u>	<u>9,401</u>
Total 2022	<u>2</u>	<u>9,399</u>	<u>9,401</u>	

9. Analysis of expenditure by activities

	Activities undertaken directly	Support costs	Total funds	Total funds
	2023	2023	2023	2022
	£000	£000	£000	£000
School's Educational Operations	6,147	3,228	9,375	9,401
	<u>6,147</u>	<u>3,228</u>	<u>9,375</u>	<u>9,401</u>
Total 2022	<u>5,905</u>	<u>3,496</u>	<u>9,401</u>	

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NOTES TO THE FINANCIAL STATEMENTS
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9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	2023	Total	Total
	£000	funds	funds
		2023	2022
		£000	£000
Teaching & educational support staff costs	4,536	4,536	4,226
Educational resources	1,015	1,015	811
Staff development	23	23	18
Premises	300	300	534
Other direct costs	58	58	32
Supply teacher costs	215	215	284
	<u>6,147</u>	<u>6,147</u>	<u>5,905</u>
Total 2022	<u>5,905</u>	<u>5,905</u>	

Analysis of support costs

	2023	Total	Total
	£000	funds	funds
		2023	2022
		£000	£000
Pension finance costs	15	15	38
Staff costs	1,878	1,878	2,114
Depreciation	1,025	1,025	1,008
Recruitment and support	18	18	22
Maintenance and improvement	191	191	181
Administrative supplies	45	45	58
Other support costs	47	47	29
Governance costs	7	7	28
Legal costs	2	2	18
	<u>3,228</u>	<u>3,228</u>	<u>3,496</u>
Total 2022	<u>3,496</u>	<u>3,496</u>	

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10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2023 £000	2022 £000
Operating leases	18	9
Depreciation of tangible fixed assets	1,025	1,008
Fees paid to auditor for:		
- audit	18	17
- other services	3	3
	<u> </u>	<u> </u>

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11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023	2022
	£000	£000
Wages and salaries	4,887	4,423
Social security costs	485	451
Pension costs	1,041	1,465
	<u>6,413</u>	<u>6,339</u>
Agency staff costs	216	284
	<u>6,629</u>	<u>6,623</u>

b. Staff numbers

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

	2023	2022
	No.	No.
Teachers	65	72
Administration and support	57	50
Management	13	10
	<u>135</u>	<u>132</u>

c. Higher paid staff

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

	2023	2022
	No.	No.
In the band £60,001 - £70,000	3	1
In the band £70,001 - £80,000	-	1
In the band £90,001 - £100,000	1	1
In the band £110,001 - £120,000	1	1

d. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £1,155k (2022 - £749k).

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12. Trustees' remuneration and expenses

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

		2023	2022
		£000	£000
C Townsend (Principal and ex-officio Trustee)	Remuneration	120 - 125	110 - 115
	Pension contributions paid	20 - 25	25 - 30
K Watkin	Remuneration	40 - 45	30 - 35
	Pension contributions paid	5 - 10	5 - 10
E Addo-Boateng	Remuneration	40 - 45	40 - 45
	Pension contributions paid	5 - 10	10 - 15

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

13. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the total cost for the year ended 31 August 2023 for all insurance was £26,209 (2022 - £19,062).

14. Tangible fixed assets

	Long-term leasehold property £000	Furniture and equipment £000	Computer equipment £000	Total £000
Cost or valuation				
At 1 September 2022	23,512	295	1,227	25,034
Additions	36	72	141	249
At 31 August 2023	23,548	367	1,368	25,283
Depreciation				
At 1 September 2022	6,201	234	1,082	7,517
Charge for the year	903	33	89	1,025
At 31 August 2023	7,104	267	1,171	8,542
Net book value				
At 31 August 2023	16,444	100	197	16,741
At 31 August 2022	17,311	61	145	17,517

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15. Debtors

	2023 £000	2022 £000
Due within one year		
Amounts owed by group undertakings	21	158
VAT recoverable	62	124
Prepayments and accrued income	101	96
	<u>184</u>	<u>378</u>

16. Creditors: Amounts falling due within one year

	2023 £000	2022 £000
Trade creditors	7	178
Amounts owed to Parent undertaking	-	31
Other taxation and social security	116	110
Other creditors	119	104
Accruals and deferred income	185	192
	<u>427</u>	<u>615</u>

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17. 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						
Unrestricted general funds	571	310	(1)	-	-	880
Restricted general funds						
General Annual Grant (GAG)	1,369	7,138	(6,962)	(178)	-	1,367
Pupil Premium	-	339	(339)	-	-	-
Teachers Pay/Pension Grant	-	82	(82)	-	-	-
Other DfE Group Grants	-	126	(126)	-	-	-
Local Authority Grants	-	310	(310)	-	-	-
Other income	-	166	(166)	-	-	-
Recovery premium	-	82	(82)	-	-	-
Supplementary grant	-	164	(164)	-	-	-
National Tutoring Programme	-	49	(49)	-	-	-
Pension reserve	(333)	-	(70)	-	403	-
	1,036	8,456	(8,350)	(178)	403	1,367
Restricted fixed asset funds						
Fixed Asset Fund	17,517	71	(1,025)	178	-	16,741
Total Restricted funds	18,553	8,527	(9,375)	-	403	18,108
Total funds	19,124	8,837	(9,376)	-	403	18,988

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

17. Statement of funds (continued)

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

Restricted General Funds

General Annual Grant - Income from the ESFA which are to be used for the normal running costs of the Academy, including education and support costs.

Pupil Premium - Income from the ESFA which is used to address the current inequalities by ensuring that funding to tackle disadvantage reaches the pupils who need it the most.

Other Grants - Income which has been received for specific purposes.

Pension Reserve - This represents the School's share of the assets and liabilities in the Local Government Pension Scheme.

Restricted fixed asset funds

Restricted fixed asset funds represent the investment in fixed assets, net of accumulated depreciation, and includes the value of fixed assets transferred to the School on conversion, together with any capital expenditure funded from restricted or unrestricted funds. Unspent capital grants and capital income are also held in this fund and their use is restricted to the capital projects for which the grant was awarded.

Transfer of funds

During the year, funds of £178,000 were transferred from revenue to capital to represent the capital additions that were purchased with revenue funding.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2023.

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

17. 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						
Unrestricted general funds	349	224	(2)	-	-	571
Restricted general funds						
General Annual Grant (GAG)	1,404	6,719	(6,694)	(60)	-	1,369
Pupil Premium	-	307	(307)	-	-	-
Teachers Pay/Pension Grant	-	107	(107)	-	-	-
Other DfE Group Grants	-	171	(171)	-	-	-
Local Authority Grants	-	276	(276)	-	-	-
Covid mass testing	-	18	(18)	-	-	-
Other income	-	175	(175)	-	-	-
Recovery premium	-	42	(42)	-	-	-
Pension reserve	(2,002)	-	(601)	-	2,270	(333)
	(598)	7,815	(8,391)	(60)	2,270	1,036
Restricted fixed asset funds						
Fixed Asset Fund	18,441	24	(1,008)	60	-	17,517
Total Restricted funds	17,843	7,839	(9,399)	-	2,270	18,553
Total funds	18,192	8,063	(9,401)	-	2,270	19,124

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**NOTES TO THE FINANCIAL STATEMENTS
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18. 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	-	-	16,741	16,741
Current assets	880	1,793	-	2,673
Creditors due within one year	-	(427)	-	(427)
Total	880	1,366	16,741	18,987

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	-	-	17,517	17,517
Current assets	571	1,984	-	2,555
Creditors due within one year	-	(615)	-	(615)
Provisions for liabilities and charges	-	(333)	-	(333)
Total	571	1,036	17,517	19,124

19. 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)	(539)	(1,338)
Adjustments for:		
Depreciation	1,024	1,008
Capital grants from DfE and other capital income	(71)	(24)
Interest receivable	(18)	-
Defined benefit pension scheme cost less contributions payable	56	563
Defined benefit pension scheme finance cost	15	38
Decrease/(increase) in debtors	192	(71)
(Decrease)/increase in creditors	(185)	327
Net cash provided by operating activities	474	503

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20. Cash flows from investing activities

	2023	2022
	£000	£000
Interest receivable	18	-
Purchase of tangible fixed assets	(250)	(183)
Capital grants from DfE Group	71	24
Net cash used in investing activities	(161)	(159)

21. Analysis of cash and cash equivalents

	2023	2022
	£000	£000
Cash in hand and at bank	2,490	2,177
Total cash and cash equivalents	2,490	2,177

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	2,177	313	2,490
	2,177	313	2,490

23. Pension commitments

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2020 and of the LGPS 31 March 2022.

Contributions amounting to £119,000 were payable to the schemes at 31 August 2023 (2022 - £104,000) and are included within creditors.

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23. Pension commitments (continued)

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.

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 2023 as published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The most recent actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Government Actuary's Department on 27 October 2023. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy) from 1 April 2024 (contribution rate to 31 March 2024 is 23.68% as set by the 31 March 2019 valuation).
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million.
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 1.7% above the rate of CPI.

The employer's pension costs paid to TPS in the year amounted to £714,000 (2022 - £697,000).

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 Academy Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy Trust has set out above the information available on the scheme.

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23. Pension commitments (continued)

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 £365,000 (2022 - £278,000), of which employer's contributions totalled £272,000 (2022 - £205,000) and employees' contributions totalled £ 92,000 (2022 - £73,000). The agreed contribution rates for future years are 17% for employers and between 5.5% and 12.5% for employees.

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

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

Principal actuarial assumptions

	2023	2022
	%	%
Rate of increase in salaries	3.95	4.05
Rate of increase for pensions in payment/inflation	2.95	3.05
Discount rate for scheme liabilities	5.20	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	20.60	21.2
Females	23.50	23.6
Retiring in 20 years		
Males	21.60	22.9
Females	24.80	25.4

Sensitivity analysis

	2023	2022
	£000	£000
Discount rate -0.1%	56	65
Mortality assumption - 1 year increase	70	75
CPI rate +0.1%	55	63

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23. Pension commitments (continued)

Share of scheme assets

The Academy Trust's share of the assets in the scheme was:

	At 31 August 2023 £000	At 31 August 2022 £000
Equities	1,368	1,032
Gilts	423	323
Property	141	123
Cash and other liquid assets	81	62
Total market value of assets	2,013	1,540

The actual return on scheme assets was £62,000 (2022 - £(45,000)).

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

	2023 £000	2022 £000
Current service cost	(327)	(768)
Interest income	73	25
Interest cost	(88)	(63)
Total amount recognised in the Statement of Financial Activities	(342)	(806)

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

	2023 £000	2022 £000
At 1 September	1,873	3,309
Current service cost	327	768
Interest cost	88	63
Employee contributions	92	73
Actuarial gains	(620)	(2,340)
Benefits paid	(1)	-
At 31 August	1,759	1,873

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23. Pension commitments (continued)

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

	2023	2022
	£000	£000
At 1 September	1,540	1,307
Interest income	73	25
Actuarial losses	(217)	(70)
Employer contributions	272	205
Employee contributions	92	73
Benefits paid	(1)	-
At 31 August	<u>1,759</u>	<u>1,540</u>

Included within Actuarial losses on plan assets of £217k is £254k in respect of the restriction determined by the asset ceiling calculations of the LGPS actuarial valuation. The total value of the assets recorded under the "Share of scheme assets" has not been decreased in respect of the asset ceiling restrictions and represents the rolled forward calculated fair value at 31 August 2023.

24. Operating lease commitments

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

	2023	2022
	£000	£000
Not later than 1 year	18	9
Later than 1 year and not later than 5 years	34	19
	<u>52</u>	<u>28</u>

25. 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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26. Related party transactions

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

	2023	2022
	£000	£000
Cleaning	3	101
Ground maintenance / Security	6	15
Facility hire and other services	39	22
	<u>48</u>	<u>138</u>

Details of certain trustees' remuneration and expenses are disclosed in note 11. The University of Birmingham, a member of the company, provided a revenue grant of £194,542 (2022: £155k) and received payments for services totalling £48,295 (2022: £138k) (as detailed in the table above) during the year. Included within creditors is an amount owed to the parent undertaking of £nil (2022: £31k). Included within debtors is an amount due from the parent undertaking of £8,842 (2022: £158k).

27. Agency arrangements

The School distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2023 the School received £87,594 (2022: £40,069) and disbursed £45,936 (2022: £44,225) from the fund.

28. Ultimate parent undertaking

The ultimate parent undertaking of the School is the University of Birmingham. The largest and smallest group of undertakings for which group financial statements have been drawn up is headed by the University of Birmingham. Copies of group financial statements can be obtained at Finance Office, Aston Webb Building, The University of Birmingham, West Midlands, B15 2TT.