ROYAL SCHOOL FOR THE DEAF DERBY

England & Wales · Charity number 1062507

Details

Other names	RSD SCHOOL FOR THE DEAF DERBY
Status	Registered
Legal form	Charitable company
Company number	03367515
Registered	1997-05-21
Register	View on the Charity Commission register

Contact

Address	Royal School for the Deaf 180 Ashbourne Road Derby DE22 3BH
Phone	01332362512
Email	helen.radford@rsdd.org.uk
Website	https://www.rsdd.org.uk/

Activities

Objects: 1. TO PROMOTE THE RELIEF OF THE DEAF AND SPEECH-IMPAIRED ("THE BENEFICIARIES"). 2. TO ADVANCE THE EDUCATION (INCLUDING THE RELIGIOUS EDUCATION) OF THE BENEFICIARIES.

Activities: The charity operates a non-maintained special school concerned with the education of deaf pupils of 3 to 19 years of age

Classification

- **How:** Provides Human Resources, Provides Services
- **What:** Education/training, Disability
- **Who:** Children/young People, People With Disabilities

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Geography

- Derby City

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£5,625,479	£5,501,102	£8,912,262	102
2024-08-31	£5,016,394	£4,871,483	£8,728,807	102
2023-08-31	£5,039,275	£5,202,609	£8,451,738	111
2022-08-31	£11,496,853	£4,654,121	£8,602,107	112
2021-08-31	£4,958,242	£4,477,923	£1,912,451	112
2020-08-31	£4,506,824	£4,081,009	£1,432,132	118

Trustees

Name	Role	Appointed
Douglas Edward Bulger	Chair	2018-02-01
Craig Crowley		2018-11-05
DAVID DU CELLIEE MULLER		
James Alexander Bruce Ottewell		2016-12-06
Mark Ian Tomalin		2022-09-01

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ROYAL SCHOOL FOR THE DEAF DERBY

England & Wales - Charity number 1062507

Accounts

Registered number: 03367515
Charity number: 1062507

ROYAL SCHOOL FOR THE DEAF DERBY

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

ROYAL SCHOOL FOR THE DEAF DERBY
(A Company Limited by Guarantee)

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ROYAL SCHOOL FOR THE DEAF DERBY

(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2025

Trustees	Mr D C du Celliee Muller Mr J A B Ottewell Mr D E Bulger Mr C Crowley Mr M I Tomalin
Company registered number	03367515
Charity registered number	1062507
Registered office	180 Ashbourne Road Derby DE22 3BH
Company secretary	Miss H N Radford
Independent auditors	Bates Weston Audit Ltd Statutory Auditors Chartered Accountants The Mills Canal Street Derby DE1 2RJ
Bankers	HSBC Bank Plc 1 St Peter's Street Derby DE1 2AE

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2025

The Trustees present their annual report together with the audited financial statements for the year 1 September 2024 to 31 August 2025. The Trustees confirm that the Annual Report and financial statements of the company comply with current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

OBJECTIVES AND ACTIVITIES

Policies and objectives

The main objective of the charitable company is to promote the relief of children and young people who are deaf or whose hearing or speech is impaired, by furthering their education.

Strategies for achieving objectives

Accordingly, the charitable company is dedicated to the operation of an effective special school for deaf children and young people.

Activities for achieving objectives

Curriculum design which places the progress and experiences of children at the heart of everyday practice.

A clear vision for children and young people to:

- Have confidence in developing their own deaf identity and their sense of belonging;
- Feel safe, happy and cared for in an environment where all children are listened to, can express their views and are understood whatever their preferred communication;
- Be challenged to achieve their best through excellent teaching, a comprehensive curriculum and a wide variety of experiences from Early Years to 16 Plus;
- Work in an environment that encourages lifelong learning, and equips children and young people with the tools and skills to achieve;
- Be tolerant and inclusive, so all children and young people are able to build effective relationships based on empathy, friendship and respect;
- Have access to excellent communication support.

MAIN ACTIVITIES UNDERTAKEN TO FURTHER THE CHARITY'S PURPOSES FOR THE PUBLIC BENEFIT

The Trustees confirm that they have paid due regard to the Charity Commission's guidance on public benefit, including the guidance contained in the document Public Benefit: Running a Charity (PB2).

ACHIEVEMENTS AND PERFORMANCE

Review of activities

The main aim of this report is to help funders, beneficiaries and wider stakeholders understand the School’s work, finances, achievements, and plans. It tells the story of what the School does, how it uses its money and how activities and finances have impact beyond just the numbers.

Last year Trustees noted that language deprivation is a key barrier for D/deaf children impacting upon many developmental outcomes including school readiness. Plans for future periods included increasing the scope of the School’s Early Year’s provision. In the year a milestone was passed: there are now seven children in Early Years. Placements are part-funded by the Government’s childcare voucher scheme topped up by funds designated in the budget. The outcome, each child in Early Years can enjoy the very best start to life led by a

team of in-house experts in their field who would ordinarily prove inaccessible. The number of children accessing pre-school messy play activities is also growing. The offer is supported by partnership working with the People Learning Together Programme supporting parents and carers to boost children's' development through everyday activities with a focus on the importance of building confidence for school readiness using everyday talk, play, singing, and books.

Partnership working between experts in phonics and qualified Teachers of the Deaf sparked professional dialogue about the best way to teach D/deaf children how to read and write. One year on, cohorts of deaf children are now achieving on a par with their non-deaf peers, bucking what has become a national trend. Evidence led and research based, the initiative is capable of supporting improvement across the whole school. Know-how is shared with other schools, professionals and wider stakeholders via social media networks.

As one long-term campus development plan came to an end a new consultation started. Initial thoughts gathered from children, young people and staff can be grouped into discrete areas namely: ensuring the built environment supports curriculum delivery and meets the expectations of children and staff; IT – are we digitally enabled? Is our campus and practice sustainable and earth friendly? Can our health, safety and security improve? A fully consulted plan of action and costings is anticipated in the near future. Significant savings to energy efficiency are already afoot showing that there is always merit in plans which look beyond the school year and in to future periods.

A number of research projects happened throughout the year. Working with the National Health Service (NHS) and a partner charity, young people in Post 16 had their say at a strategic level about the lived experiences of Deaf people in the health care system. It is a fact that Deaf people's health outcomes are relatively poor ranging from the late diagnosis of cancer to a greater prevalence of diabetes. Initial conclusions from the project identified a number of areas where services need improvement. The loudest message researchers heard was, "We want to be able to use the NHS like everyone else – easily, fairly and with respect." The top priorities for achieving this included, better ways to contact and understand the NHS, NHS staff trained in Deaf awareness, more and better interpreters, technology that works for Deaf people. The findings will be shared with NHS leaders, researchers and policy makers to design better services for Deaf people and fund research that matters most.

At the end of the academic year a number of members of the Governing Body (GB), including its Co-chairs, stepped down to make way for new recruits. Trustees look forward to joint working with the new GB to develop a broad set of strategic aims encompassing the entire provision alongside which future developments can take shape.

Further inspections from key stakeholders demonstrate the school's ability to deliver consistently good and outstanding outcomes against progressively stringent criteria. Highlights from reports, now in the public domain, comment on a truly bilingual approach to all aspects of school life, with communication being the golden thread through everything. British Sign Language (BSL) and speech and language therapy are the fundamental parts of all pupils' learning. Our continuing Outstanding judgement for the School's residential provision describe a school where children make exceptional progress in education from their starting points when moving to the residential provision. This includes children who have struggled in previous schools. This is a result of effective transition planning, where families are provided with a bespoke and well-organised process that is focused on the needs of the child.

The synergy of strong stewardship of funds and the expertise of staff are greater than the sum of their parts, driving sustainability and continuing success throughout the year. Trustees wish to thank all staff for their unwavering determination and dedication in securing the best outcomes for all children and young people at the School.

FINANCIAL REVIEW

Trustees continue to celebrate the outstanding financial health of the school endorsed by key funding partners.

The forecasted 2025 financial year end position was a shortfall of £129,000 however new pupils joining throughout the year buoyed income and significant savings were made following capital expenditure to increase energy efficiency as part of a campus development plan. Once restricted funds, to the cost of salaries and income earned on investments held as reserves, were brought into the general income and expenditure fund the final position was a surplus of £322,974, being 6% of total income. The Trustees recognise the importance of the charity generating a small financial surplus in order that its built environment may be appropriately maintained and developed and that the charity's strategic objectives may be met.

Comprehensive and timely management reporting enables thorough scrutiny of the School's financial sustainability at any one point in time. Detailed income and expenditure, restricted funds movement and balance sheets are externally scrutinised by qualified accountants so decision makers can act with confidence. Five-year income and expenditure modelling and a balanced score card reporting across key performance areas enable meaningful discussions at Trust Board and Governing Body meetings. Ongoing financial sustainability and success is propelled by robust stewardship of funds, an increasingly qualified, competent and confident staff team, and effective structure and governance.

Reserves targets remain met in full with funds in excess designated to the costs of improving the residential experience and built environment for children staying away from home. To this end, funds designated for campus enhancement were spent on modernising the campus. The backdrop of a rising number of children staying in residence including a younger age range profile provided sound financial sense in agreeing to a major refurbishment project of more than half a million pounds for Lydia House. At the time of writing this report the project is near completion. Trustees are looking forward to seeing children and young people enjoy a new contemporary space to live and learn in.

Following the Chancellor's declaration on 31 October 2024 to bring Non Maintained Special Schools (NMSS) into scope of VAT policy, the School moved quickly and coherently to secure the best outcomes. Inherent risks of untested legislation are mitigated and opportunities to reclaim a portion of the VAT the School pays when purchasing are achieved.

The broad headlines about financial performance remain relatively constant. The challenge of meeting budget for the two key financial indicators, fee income and staff expenditure, remain. Checks and balances are in place. Carefully considered budgets, timely and thorough management reporting, independent critical observation and regular collaboration between the Governing Body and Trust Board provide further opportunity for joined up thinking on the best use of resources. Ongoing inflationary pressures coupled with changes to National Insurance contributions to employers have added to the challenge of achieving a minimum break-even position. The spotlight remains on income generation.

GOING CONCERN

After making appropriate enquiries, the Trustees reasonably expect the Charity has sufficient resources to continue in operational existence for the foreseeable future. For this reason they continue 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 Accounting Policies.

Late payment and occasional non-payment by some Local Authority partners for children and young people with Education, Health and Care Plans (EHCPs) places an unfair burden on the school finances which, in turn, places reliance on the charity to cover shortfalls in learner costs. This could have a potential detrimental effect on plans to improve the campus and supporting infrastructure of the school.

PRINCIPAL FUNDING

High needs funding direct from the Education and Skills Funding Agency with top-up fees from Local Authority placing partners represent the largest part of incoming resources. In the year to 31 August 2025 these amounted to 95% of total incoming resources.

RESERVES AND INVESTMENT POLICIES

The unrestricted funds shown on the balance sheet at the year end represent the free reserves of the charitable company. Current reserves enable the School to respond independently to material fluctuations in its operating commitments.

The target £0.9 - £1.3m of readily realisable reserves is met. Total reserves are £8.9 million, which includes fixed assets of £5.6 million. £173,018 of total reserves relates to restricted funds. The target level of reserves is likely to be increased in the coming year due to increasing inflationary costs. Reserves held above the target are designated to campus enhancement and developments to the benefit of all beneficiaries.

Trustees follow a policy of maintaining the investments of the charity in readily realisable, low risk cash products and investments are held in accordance with the trustees' powers. Investment and reserves policies are reviewed annually in conjunction with appointed investment managers.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The charitable company operates Royal School for the Deaf Derby, a non maintained special school approved for the education of D/deaf learners aged 3 to 19.

The School is a company limited by guarantee not share capital, governed by its Memorandum and Articles of Association and a Governing Body. The Governors operate subject to a Scheme of Delegation approved by Trustees.

The Non-Maintained Special School Regulations 2015 define the Governing Body as the proprietor of the School. The Regulations follow the definition of proprietor in the Education Act 1996 which says, “proprietor”, in relation to a school means the person or body of persons responsible for the management of the school’.

Method of appointment or election of Trustees

The Trustees of the School constitute directors for Companies Act purposes. One third of Trustees retire by rotation annually and may also be reappointed. The charitable company may otherwise by ordinary resolution appoint a trustee to either fill a casual vacancy or as an additional trustee. Appointment of additional Trustees is subject to the unanimous approval of existing Trustees who may seek out or advertise for additions to their number in order to enhance the skills and diversity of the Board.

The Governing Body are tasked with taking a strategic view of the school's policies and objectives. Progress and achievement across key functional operational areas are subject to more detailed monitoring and evaluation by governors' committees that meet at least once per academic term. Discrete committees meet in addition to full board meetings and have responsibilities under the following headings: Resources (including Finance, Human Resources, Premises and Health & Safety), Pupil Wellbeing & Attainment

In addition to governor representation at these meetings, the chair of the Governing Body is invited to attend all Trustee meetings. As well as general responsibilities, each governor is expected to have or adopt an area of special interest relevant to the school's operation and new governor recruitment is focused on the specialisms needed. The complement of the governing body is subject to annual ratification by Trustees. The governors may co opt additional members to enhance any of the committee's capabilities. New governors benefit from an induction process, are encouraged to access training and support through the Derby City governor programme and development sessions provided by an Education Consultant tailored to the Governing Body’s strategic plans and regulatory frameworks.

Organisational structure and decision making

Responsibility for the day to day organisation, management and control of the school lies with its executive, the senior leadership team (SLT). The Headteacher is a member of the SLT, the leader of the SLT and an ex officio member of the Governing Body. The remit of the Headteacher is to maintain and improve the quality of the provision and ensure pupil numbers are capable of protecting the breadth and depth of the curriculum. The performance management of the Headteacher is conducted by a specialist consultant together with the chair of the Governing Body. The performance management of other members of the leadership team is the responsibility of the Headteacher. Pay for members of the SLT has been set on the advice of an external consultant with reference to the School Teachers' Pay and Conditions Document England & Wales. The pay of teaching staff is set by reference to the same Document and the pay of non teaching staff ordinarily but without precedent determined by reference to the Pay Scales and Allowances of the National Joint Council for Local Government Services together with custom and practice in the sector.

RISK MANAGEMENT

Governors and Trustees review the risks facing the school by taking on the role of critical friends, monitoring the quality of teaching and learning, school self-assessment and development plans, pupil attainment and wellbeing, safeguarding, income and expenditure, movements in restricted funds, cash flow, key financial indicators, annual budgets. An “at a glance” overview is provided to Trustees via a balanced scorecard. It gives a comprehensive overview of performance across all key functions identified in the Scheme of Delegation which, in turn, determines levels of autonomy in decision making structures. Individual governors are assigned to scrutinise and report on particular operational risk areas through the committees listed above. At present Trustees delegate to the maximum level of autonomy provided for in the Scheme of Delegation continuing to adopt an “eyes on - hands off” approach.

Health and Safety issues are a permanent feature of the agenda at the Resources Committee. The declaration of any conflicts of interest is required before the start of all Trustee and Governor meetings. Alleged or suspected material safeguarding issues are a rolling agenda item at all Trustee and Governing Body meetings and initially reviewed in detail by the Pupil Wellbeing and Attainment Committee. There is a safeguarding team comprised of qualified and competent members of school staff led by the Deputy Head Care & Guidance who is the Designated Safeguarding Lead line managed by the Headteacher. Safeguarding policy and practice is scrutinised by a dedicated Safeguarding Governor. Governors ensure that one of their number always acts as Safeguarding Governor and receives appropriate training.

Financial sustainability is intimately tied to the quality of the education and care, together maintaining pupil numbers at suitable fee levels. The Headteacher and Governing Body are required to pay particular attention to these areas.

The school is a member of the National Association of Special Schools, a body representing the interests of non maintained special schools. It also works closely with Derby City Council in addressing issues of mutual interest in the arena of the development of special education for deaf learners.

PLANS FOR FUTURE PERIODS

Future developments

The School’s 2025/2026 budget forecasts a small surplus. It includes monies set aside to continue to develop the built environment, to maintain and improve social media channels for communication and marketing, maintain and improve the quality of education and care. An additional sum of money is ring-fenced to help the growing number of children facing relative socio-economic disadvantage through the Children’s Fund.

In readiness for a new Governing Body, Trustees are reviewing key documentation to ensure structure and governance remains up to date and meaningful. The Scheme of Delegation sets out, amongst other things, how

and when Trustees delegate their decision-making powers to the Governing Body. This is ordinarily determined by how well the School is performing across a number of key headings. Discussions to review reserve levels are tabled with an eye to revisiting what is an appropriate level of reserves in the context of any foreseeable risks the school may encounter. Discussions about the purpose of funds held in excess of reserves going forward will give scope for all stakeholders to have their say about their aspirations for the School. Once complete the next task is to work with the Governing Body and Senior Leadership Team to devise a scalable strategic plan of direct relevance to the School's beneficiaries, targeting resources to where they are needed most.

An increasing number of learners in residence beckons an appraisal of the School's offer to young people staying on campus. At the end of the academic year the school started to collaborate with a neighbouring university. The aim, to give young people staying on campus the chance to enjoy the same opportunities and experiences of their non-deaf peers off campus in university halls. At the time of writing this report the plan is underway. Outcomes are positive, independent living skills, resilience and a positive can-do attitude are palpable. Thoughts on making the opportunity a mainstay of the School's offer are gathering.

A continued commitment to be "the best outstanding provider of education and care for D/d children and young people accentuates the need to be an employer of choice. Dedicated resources are needed for the foreseeable future to protect relatively generous terms and conditions of employment including bespoke, individual programmes of continuous professional development. The knowledge and skill of staff make the sharing of excellent practice possible. This is evident in the School's approach to reading and writing, articles written by staff in the British Association of Teachers of the Deaf (BATOD) and requests to participate as research partners by leading practitioners such as the University of London's Deafness, Cognition and Language (DCAL) faculty. Successful completion of mandatory qualifications such as Level 3 Diplomas for the children's workforce and accredited Teacher of the Deaf status also ensure there is always a qualified, competent team of in-house experts around each learner. This team is confident to communicate their ideas to improve the experiences, achievements, wellbeing and attainment of all learners.

A number of significant wider environmental changes that may shape future developments are on the horizon. Notes published alongside the Chancellor's autumn budget stated the statutory override, an accounting mechanism that has been in place to enable local authorities to keep their Special Educational Needs and Disabilities (SEND) deficits off their balance sheets, will end in 2028. After this the SEND deficit and future costs will be absorbed within the overall government budget. Local authorities will not need to cover SEND costs from their general funds after the end of 2027-28. The role they will play, if any, is unclear. Further information about funding is anticipated in the Local Government Finance Settlement anticipated to coincide with another key document, the Schools Whitepaper early in 2026.At a headline level consultation responses confirm continuation of SEND tribunals, while also noting that the Government is exploring other solutions to reduce the need for parents to seek tribunal appeals. It reiterates the five principles underpinning SEND reform—Early, Local, Fair, Effective, and Shared. With an age range of three to nineteen, a strong presence on local authority local offer webpages, a fair fee structure, resilient governance and expert resource, Royal School for the Deaf Derby is in the perfect place to sustain its success.

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees who are also directors of Royal School for the Deaf Derby for the purposes of a company limited by guarantee are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 the incoming resources and application of resources, including the income and expenditure, of the charitable company 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;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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 therefore taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and

- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

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

Mr D E Bulger

Date: 4 March 2026

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROYAL SCHOOL FOR THE DEAF DERBY

Opinion

We have audited the financial statements of Royal School for the Deaf Derby (the 'charity') for the year ended 31 August 2025 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 and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2025 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which 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, the Trustees (who are also the directors of the charitable company 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:
Based on our understanding of the charity and sector in which it operates, we considered those laws and

regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. Audit procedures performed by the engagement team included:

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

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

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

Use of our report

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

Wayne Thomas FCA (Senior Statutory Auditor)
for and on behalf of
Bates Weston Audit Ltd
Statutory Auditors
Chartered Accountants
The Mills
Canal Street
Derby
DE1 2RJ

23 March 2026

ROYAL SCHOOL FOR THE DEAF DERBY

(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 AUGUST 2025

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Income from:					
Donations and legacies	2	**72,094**	**-**	**72,094**	*95,586*
Charitable activities	3	**4,958,442**	**407,399**	**5,365,841**	*4,794,787*
Other income		**187,544**	**-**	**187,544**	*126,021*
Total income		**5,218,080**	**407,399**	**5,625,479**	*5,016,394*
Expenditure on:					
Raising funds	4	**16,747**	**-**	**16,747**	*15,574*
Charitable activities	5	**5,074,825**	**409,530**	**5,484,355**	*4,855,909*
Total expenditure		**5,091,572**	**409,530**	**5,501,102**	*4,871,483*
Net income/(expenditure) before net gains on investments		**126,508**	**(2,131)**	**124,377**	*144,911*
Net gains on investments		**59,078**	**-**	**59,078**	*132,158*
Net income/(expenditure)		**185,586**	**(2,131)**	**183,455**	*277,069*
Transfers between funds	14	**(883)**	**883**	**-**	*-*
Net movement in funds		**184,703**	**(1,248)**	**183,455**	*277,069*
Reconciliation of funds:					
Total funds brought forward		**8,554,541**	**174,266**	**8,728,807**	*8,451,738*
Net movement in funds		**184,703**	**(1,248)**	**183,455**	*277,069*
Total funds carried forward		**8,739,244**	**173,018**	**8,912,262**	*8,728,807*

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

The notes on pages 15 to 31 form part of these financial statements.

ROYAL SCHOOL FOR THE DEAF DERBY

(A Company Limited by Guarantee)
REGISTERED NUMBER: 03367515

BALANCE SHEET
AS AT 31 AUGUST 2025

	Note		2025 £		*2024 £*
Fixed assets					
Tangible assets	9		**5,557,319**		*5,632,616*
Investments	10		**3,049,204**		*2,668,854*
			8,606,523		*8,301,470*
Current assets					
Debtors	11	**191,451**		*240,661*	
Investments	12	**210,489**		*404,612*	
Cash at bank and in hand		**413,901**		*147,242*	
		815,841		*792,515*	
Current liabilities					
Creditors: amounts falling due within one year	13	**(510,102)**		*(365,178)*	
Net current assets			**305,739**		*427,337*
Total net assets			**8,912,262**		*8,728,807*
Charity funds					
Restricted funds	14		**173,018**		*174,266*
Unrestricted funds	14		**8,739,244**		*8,554,541*
Total funds			**8,912,262**		*8,728,807*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Mr D E Bulger

Date: 4 March 2026

The notes on pages 15 to 31 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2025

	Note	2025 £	*2024 £*
Cash flows from operating activities			
Net cash used in operating activities	17	**416,395**	*120,061*
Cash flows from investing activities			
Dividends, interests and rents from investments		**87,718**	*85,545*
Proceeds from the sale of tangible fixed assets		**(53,738)**	*-*
Purchase of investments		**(691,999)**	*(494,301)*
Proceeds from the disposal of investments		**314,160**	*564,642*
Net cash (used in)/provided by investing activities		**(343,859)**	**155,886**
Change in cash and cash equivalents in the year		**72,536**	**275,947**
Cash and cash equivalents at the beginning of the year		**551,854**	*275,907*
Cash and cash equivalents at the end of the year	18	**624,390**	*551,854*

The notes on pages 15 to 31 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Royal School for the Deaf Derby meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Company status

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

1.3 Income

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

For legacies, entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Charity, or the Charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Pupil fee income represents fees invoiced to Local Authorities for educational purposes supplied during the year and recognised in the period to which it relates, together with "core" pupil funding from the Educational and Skills Funding Agency, recognised when it is received.

The charitable company also receives grants for educational purposes resulting from initiatives by the Department for Education and Skills.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the school. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

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

1. Accounting policies (continued)

1.4 Expenditure (continued)

Expenditure on charitable activities includes the cost of education activities undertaken to further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

1.5 Taxation

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

1.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Leasehold property includes the cost of any building improvements to leased land.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- 50 years
Motor vehicles	- 4 years
Fixtures and fittings	- 5 years

1.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as ‘Gains/(Losses) on investments’ in the Statement of Financial Activities.

1.8 Operating leases

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

1. Accounting policies (continued)

1.9 Pensions

The School participates in a multi employer defined benefits pension scheme, "The Teachers' Pension Scheme (England and Wales)", for its teachers. As a result it is not possible or appropriate to identify the assets and liabilities of the Scheme which are attributable to the School. In accordance with Financial Reporting Standard 102 therefore, the Scheme is accounted for as a defined contribution scheme. The Scheme is managed by the Department of Education.

The charity operates a defined contributions arrangement for its non-teaching staff in terms of group personal pension plans.

Contributions to both schemes are charged in the Statement of financial activities (incorporating income and expenditure account) as they become payable in accordance with the rules of the Scheme.

1.10 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2. Income from donations and legacies

	Unrestricted funds 2025 £	**Total funds 2025 £**	*Total funds 2024 £*
Donations	5,140	**5,140**	*17,707*
Government grants	66,954	**66,954**	*77,879*
Total 2025	72,094	**72,094**	*95,586*

3. Income from charitable activities

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Pupil fee income	3,998,442	-	**3,998,442**	*3,387,043*
Government grants	960,000	407,399	**1,367,399**	*1,407,744*
Total 2025	4,958,442	407,399	**5,365,841**	*4,794,787*
Total 2024	*4,347,043*	*447,744*	*4,794,787*	

Government grants received support the provision of education to pupils.

4. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Investment management fees	16,747	**16,747**	*15,574*

5. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	*Total 2024 £*
Staffing costs	3,767,313	217,831	**3,985,144**	*3,571,157*
Education and pupil support costs	455,482	-	**455,482**	*360,696*
Campus and property costs	495,332	191,699	**687,031**	*607,340*
Administration costs	302,508	-	**302,508**	*259,702*
Governance costs	54,190	-	**54,190**	*57,014*
	5,074,825	409,530	**5,484,355**	*4,855,909*
Total 2024	*4,514,716*	*341,193*	*4,855,909*	

Summary by expenditure type

	Staff costs 2025 £	Depreciation 2025 £	Other costs 2025 £	Total 2025 £	*Total 2024 £*
Staffing costs	3,874,110	-	111,034	**3,985,144**	*3,571,157*
Education and pupil support costs	-	-	455,482	**455,482**	*360,696*
Campus and property costs	-	127,358	559,673	**687,031**	*607,340*
Administration costs	-	-	302,508	**302,508**	*259,702*
Governance costs	-	-	54,190	**54,190**	*57,014*
	3,874,110	127,358	1,482,887	**5,484,355**	*4,855,909*
Total 2024	*3,462,084*	*134,374*	*1,259,451*	*4,855,909*	

6. Auditors' remuneration

	2025 £	2024 £
Auditors' remuneration	**13,200**	*12,570*
Fees payable to the Charity's auditor in respect of:		
Non-audit services	**5,640**	*5,160*

7. Staff costs

	2025 £	2024 £
Wages and salaries	**3,120,481**	*2,840,587*
Social security costs	**347,696**	*277,926*
Other pension costs	**405,933**	*343,571*
	3,874,110	*3,462,084*

Wages and salaries includes redundancy and termination payments totalling £5,175 (2024: £Nil), which were fully paid in the year.

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

	2025	2024
Academic	**27**	*27*
Residential care	**8**	*8*
Learning support	**44**	*42*
Corporate & technical services	**23**	*25*
	102	*102*

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

	2025 No.	2024 No.
In the band £60,001 - £70,000	**2**	*3*
In the band £70,001 - £80,000	**1**	*-*
In the band £90,001 - £100,000	**-**	*1*
In the band £100,001 - £110,000	**1**	*-*

Key management personnel during the year comprised the Senior Leadership Team who received total remuneration and benefits of £453,713 (2024 - £359,215).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

8. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2024 - £NIL)*.

During the year ended 31 August 2025, expenses totalling £NIL for mileage were reimbursed or paid directly to Trustees *(2024 -* £NIL)

9. Tangible fixed assets

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Total £
Cost				
At 1 September 2024	**6,100,000**	**58,265**	**309,209**	**6,467,474**
Additions	**26,893**	**26,845**	**-**	**53,738**
At 31 August 2025	**6,126,893**	**85,110**	**309,209**	**6,521,212**
Depreciation				
At 1 September 2024	**476,987**	**58,265**	**299,605**	**834,857**
Charge for the year	**122,000**	**2,237**	**4,799**	**129,036**
At 31 August 2025	**598,987**	**60,502**	**304,404**	**963,893**
Net book value				
At 31 August 2025	**5,527,906**	**24,608**	**4,805**	**5,557,319**
At 31 August 2024	*5,623,013*	*-*	*9,604*	*5,632,617*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

10. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 September 2024	**2,668,854**
Additions	**691,999**
Disposals	**(314,161)**
Revaluations	**2,512**
At 31 August 2025	**3,049,204**

11. Debtors

	2025 £	*2024 £*
Trade debtors	**62,328**	*143,677*
Other debtors	**29,526**	*-*
Prepayments and accrued income	**99,597**	*96,984*
	191,451	*240,661*

12. Current asset investments

	2025 £	*2024 £*
Cash on deposit	**210,489**	*404,612*

13. Creditors: Amounts falling due within one year

	2025 £	*2024 £*
Trade creditors	**116,667**	*100,849*
Other taxation and social security	**81,659**	*56,539*
Other creditors	**37,364**	*46,779*
Accruals and deferred income	**274,412**	*161,011*
	510,102	*365,178*

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

	2025 £	*2024 £*
Deferred income at 1 September 2024	**97,010**	*116,556*
Resources deferred during the year	**239,963**	*97,010*
Amounts released from previous periods	**(97,010)**	*(116,556)*
	239,963	*97,010*

Deferred income includes ESFA grant funding totaling £235,247 (2024: £93,075) and other income of £4,716 (2024: £3,935).

14. Statement of funds

Statement of funds - current year

	Balance at 1 September 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2025 £
Unrestricted funds						
Designated funds						
Children's Fund	**3,949**	**-**	**(229)**	**-**	**-**	**3,720**
Fundraising	**6,791**	**2,300**	**(130)**	**-**	**-**	**8,961**
Tuck Shop	**57**	**1,162**	**(998)**	**-**	**-**	**221**
Campus enhancement	**2,668,854**	**-**	**-**	**321,272**	**59,078**	**3,049,204**
	2,679,651	**3,462**	**(1,357)**	**321,272**	**59,078**	**3,062,106**
General funds						
General funds	**5,874,890**	**5,214,618**	**(5,090,215)**	**(322,155)**	**-**	**5,677,138**
Total Unrestricted funds	**8,554,541**	**5,218,080**	**(5,091,572)**	**(883)**	**59,078**	**8,739,244**

14. Statement of funds (continued)

Restricted funds						
Devolved Capital Grant	**9,214**	**10,396**	**(9,215)**	**-**	**-**	**10,395**
NMSS Maintenance Grant	**115,634**	**99,481**	**(115,634)**	**-**	**-**	**99,481**
Pupil Premium Receipts	**3,488**	**53,059**	**(37,654)**	**-**	**-**	**18,893**
Sports Premium Grant	**1,421**	**16,527**	**(17,948)**	**-**	**-**	**-**
Roe Memorial	**34,687**	**-**	**-**	**-**	**-**	**34,687**
Minibus Fund	**6,722**	**-**	**(560)**	**-**	**-**	**6,162**
DCEP Legacy Theatre	**2,500**	**-**	**(2,700)**	**200**	**-**	**-**
Bursary 24/25	**-**	**3,436**	**(3,436)**	**-**	**-**	**-**
Core Schools Budget Grant	**-**	**215,431**	**(215,431)**	**-**	**-**	**-**
ESFA Mental Health Grant	**600**	**-**	**-**	**-**	**-**	**600**
Free School Meals	**-**	**1,716**	**(1,997)**	**281**	**-**	**-**
ECT Mentoring	**-**	**2,400**	**(2,400)**	**-**	**-**	**-**
Zochonis Trust	**-**	**2,800**	**-**	**-**	**-**	**2,800**
Dancop	**-**	**830**	**(1,170)**	**340**	**-**	**-**
Greggs	**-**	**1,323**	**(1,385)**	**62**	**-**	**-**
	174,266	**407,399**	**(409,530)**	**883**	**-**	**173,018**
Total of funds	**8,728,807**	**5,625,479**	**(5,501,102)**	**-**	**59,078**	**8,912,262**

14. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2023 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 31 August 2024* £
Unrestricted funds						
Designated funds						
Children's Fund	*4,214*	*-*	*(265)*	*-*	*-*	*3,949*
Fundraising	*11,696*	*6,505*	*(11,410)*	*-*	*-*	*6,791*
Tuck Shop	*-*	*890*	*(833)*	*-*	*-*	*57*
Campus enhancement	*2,566,424*	*-*	*-*	*(29,728)*	*132,158*	*2,668,854*
	2,582,334	*7,395*	*(12,508)*	*(29,728)*	*132,158*	*2,679,651*
General funds						
General funds	*5,820,846*	*4,561,255*	*(4,517,782)*	*10,571*	*-*	*5,874,890*
Total Unrestricted funds	*8,403,180*	*4,568,650*	*(4,530,290)*	*(19,157)*	*132,158*	*8,554,541*
Restricted funds						
Greggs	*-*	*1,412*	*(1,741)*	*329*	*-*	*-*
Devolved Capital Grant	*448*	*9,214*	*(448)*	*-*	*-*	*9,214*
NMSS Maintenance Grant	*-*	*115,634*	*-*	*-*	*-*	*115,634*
Pupil Premium Receipts	*-*	*82,427*	*(78,939)*	*-*	*-*	*3,488*
Sports Premium Grant	*261*	*16,240*	*(15,080)*	*-*	*-*	*1,421*
Roe Memorial	*34,687*	*-*	*-*	*-*	*-*	*34,687*
European Visits Fund	*6,861*	*-*	*(6,861)*	*-*	*-*	*-*
Minibus Fund	*1,450*	*5,272*	*-*	*-*	*-*	*6,722*

14. Statement of funds (continued)

Statement of funds - prior year (continued)

	Balance at 1 September 2023 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 31 August 2024* £
DCEP Legacy Theatre	*2,500*	*-*	*-*	*-*	*-*	*2,500*
Moscow Bilingual	*1,650*	*-*	*(2,712)*	*1,062*	*-*	*-*
Tutoring Grant	*-*	*(10,716)*	*(7,050)*	*17,766*	*-*	*-*
Bursary 24/25	*-*	*3,264*	*(3,264)*	*-*	*-*	*-*
Foundation Derbyshire	*701*	*-*	*(701)*	*-*	*-*	*-*
Core Schools Budget Grant	*-*	*223,597*	*(223,597)*	*-*	*-*	*-*
ESFA Mental Health Grant	*-*	*1,400*	*(800)*	*-*	*-*	*600*
	48,558	*447,744*	*(341,193)*	*19,157*	*-*	*174,266*
Total of funds	*8,451,738*	*5,016,394*	*(4,871,483)*	*-*	*132,158*	*8,728,807*

Transfers between funds
The transfer into designated funds relates to investment movements so that the carry forward balance reflects available funds at the balance sheet date.

The Core Schools Budget Grant relates to the expenditure incurred by the entity on salaries and pensions, which has been allocated against restricted grant income received for the purpose of subsidising these costs.

The following are restricted and designated funds identified in the statement of funds noted above.

The designated Children's Fund arises from individual unrestricted donations received by the charitable company that are used in the support of pupils in situations of hardship and for the provision of items for residential pupils not normally funded through local authority fees.

The designated Campus enhancement fund represents amounts held as long-term investments that may be utilised towards improvements of the school site, as earmarked in the future plan for campus enhancement.

The closing balance of the DfE Devolved Capital and NMSS Maintenance Grants represent contributions to the cost of ensuring the campus is fit for purpose and wherever possible energy efficient and earth friendly.

Beneficiaries of pupil and recovery premiums are children and young people facing relative socio-economic disadvantage. Each premium is focused on effective approaches to raising educational attainment for example, supporting high quality learning and tackling non-academic barriers to academic success, such as difficulties with attendance, behaviour and social and emotional wellbeing. A full report on the impact of these premiums is published annually on our website.

The national tutoring grant is similar to the pots of funding above however it is a discrete fund used only to provide a fraction of costs of school led tutoring. This year in house specialists have provided targeted academic support to individual and groups of disadvantaged pupils and also those who are below the expected standard or grade boundary in an applicable subject.

Our primary PE and sport premium led to sustainable improvements to the provision of PE and sport to the benefit of all primary-aged pupils. A sustainable programme to encourage the development of healthy, active lifestyles continues. We report on the impact of our PE and sport premium each year on our website.

Germany and European visit funds were combined last year to enable young people to participate in a final school exchange with our twinned school in Osnabrück Germany. Historically the funds provided other enrichment opportunities promoting cultural experiences to expand the experiences and horizons of young people.

Foundation Derbyshire and Moscow Bilingual funds are now spent. In the year each fund contributed to the costs of providing free British Sign Language tuition and assessments for families of children and young people at the School. We know that language is a fundamental part of being human and enabling families to learn together creates positive family relationships.

Thank you to the Greggs Foundation for funds to provide a safe space for children to eat, spend time with their friends, engage in learning and enjoy fun activities at the beginning of the school day. Now called the feeding brighter futures programme, children in Primary continue to enjoy a social and positive start to the school day.

DCEP Legacy Theatre once again provided resource for children and young people in residence to choose from a number of extracurricular projects linked to the performing arts.

The Roe Memorial fund remains held in trust, to be utilised for the benefit of Deaf adults in local Deaf communities.

Our school minibus fund represents the restricted income used to purchase a new school minibus in the year. As the asset is depreciated, the fund will reduce in line with the asset's net book value.

15. Summary of funds

Summary of funds - current year

	Balance at 1 September 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2025 £
Designated funds	**2,679,651**	**3,462**	**(1,357)**	**321,272**	**59,078**	**3,062,106**
General funds	**5,874,890**	**5,214,618**	**(5,090,215)**	**(322,155)**	**-**	**5,677,138**
Restricted funds	**174,266**	**407,399**	**(409,530)**	**883**	**-**	**173,018**
	8,728,807	**5,625,479**	**(5,501,102)**	**-**	**59,078**	**8,912,262**

Summary of funds - prior year

	Balance at 1 September 2023 £	*Income £*	*Expenditure £*	*Transfers in/out £*	*Gains/ (Losses) £*	*Balance at 31 August 2024 £*
Designated funds	*2,582,334*	*7,395*	*(12,508)*	*(29,728)*	*132,158*	*2,679,651*
General funds	*5,820,846*	*4,561,255*	*(4,517,782)*	*10,571*	*-*	*5,874,890*
Restricted funds	*48,558*	*447,744*	*(341,193)*	*19,157*	*-*	*174,266*
	8,451,738	*5,016,394*	*(4,871,483)*	*-*	*132,158*	*8,728,807*

16. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	5,551,157	6,162	**5,557,319**
Fixed asset investments	3,049,204	-	**3,049,204**
Current assets	609,202	206,639	**815,841**
Creditors due within one year	(470,319)	(39,783)	**(510,102)**
Total	8,739,244	173,018	**8,912,262**

16. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2024 £	*Restricted funds 2024 £*	*Total funds 2024 £*
Tangible fixed assets	*5,632,616*	*-*	*5,632,616*
Fixed asset investments	*2,668,854*	*-*	*2,668,854*
Current assets	*602,883*	*189,632*	*792,515*
Creditors due within one year	*(349,812)*	*(15,366)*	*(365,178)*
Total	*8,554,541*	*174,266*	*8,728,807*

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

	2025 £	*2024 £*
Net income for the year (as per Statement of Financial Activities)	**183,455**	*277,069*
Adjustments for:		
Depreciation charges	**129,036**	*134,375*
Gains on investments	**(2,512)**	*(172,771)*
Dividends, interests and rents from investments	**(87,718)**	*(85,545)*
Movement in debtors	**49,210**	*(10,622)*
Movement in creditors	**144,924**	*(22,445)*
Net cash provided by operating activities	**416,395**	*120,061*

18. Analysis of cash and cash equivalents

	2025 £	*2024 £*
Cash in hand	**413,900**	*147,242*
Notice deposits (less than 3 months)	**210,490**	*404,612*
Total cash and cash equivalents	**624,390**	*551,854*

19. Analysis of changes in net debt

	At 1 September 2024	Cash flows	At 31 August 2025
	£	£	£
Cash at bank and in hand	147,242	266,659	413,901
Cash equivalents	404,612	(194,123)	210,489
	551,854	72,536	624,390

20. Pension commitments

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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

The pension charge for the year includes contributions payable to the TPS of £336,722 (2024 - £280,209). At the year-end £37,262 (2024 - £35,162) was accrued in respect of contributions to this scheme. The Charity also runs a scheme for its non-teaching staff under which defined contributions are paid into a group personal pension arrangement. The cost for the year represents the School's contributions to that Scheme of £69,211 (2024 - £63,362).

VALUATION OF THE TEACHERS' PENSION SCHEME

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 27 October 2023, with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI.The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 28.68% of pensionable pay, including a 0.08% employer administration charge;
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million, and notional assets (estimated future contribution together with the notional investments held at the valuation date) of £222,200 million giving a notional past service deficit of £39,800 million.

20. Pension commitments (continued)

The result of this valuation was implemented on 1 April 2024.The next valuation result is due to be implemented from 1 April 2027.

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

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

21. Related party transactions

The Charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Charity at 31 August 2025.

22. Controlling party

The Trustees consider there to be no ultimate controlling party.

ROYAL SCHOOL FOR THE DEAF DERBY

England & Wales - Charity number 1062507

Accounts

Registered number: 03367515
Charity number: 1062507

ROYAL SCHOOL FOR THE DEAF DERBY

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

ROYAL SCHOOL FOR THE DEAF DERBY
(A Company Limited by Guarantee)

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ROYAL SCHOOL FOR THE DEAF DERBY
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2024

Trustees	Mr D C du Celliee Muller Mr J A B Ottewell Mr D E Bulger Mr C Crowley Mr M I Tomalin
Company registered number	03367515
Charity registered number	1062507
Registered office	180 Ashbourne Road Derby DE22 3BH
Company secretary	Miss H N Radford
Independent auditors	Bates Weston Audit Ltd Statutory Auditors Chartered Accountants The Mills Canal Street Derby DE1 2RJ
Bankers	HSBC Bank Plc 1 St Peter's Street Derby DE1 2AE

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2024

The Trustees present their annual report together with the audited financial statements for the year 1 September 2023 to 31 August 2024. The Trustees confirm that the Annual Report and financial statements of the company comply with current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

OBJECTIVES AND ACTIVITIES

Policies and objectives

The main objective of the charitable company is to promote the relief of children and young people who are deaf or whose hearing or speech is impaired, by furthering their education.

Strategies for achieving objectives

Accordingly, the charitable company is dedicated to the operation of an effective special school for deaf children and young people.

Activities for achieving objectives

Curriculum design which places the progress and experiences of children at the heart of everyday practice.

A clear vision for children and young people to:

- Have confidence in developing their own deaf identity and their sense of belonging;
- Feel safe, happy and cared for in an environment where all children are listened to, can express their views and are understood whatever their preferred communication;
- Be challenged to achieve their best through excellent teaching, a comprehensive curriculum and a wide variety of experiences from Early Years to 16 Plus;
- Work in an environment that encourages lifelong learning, and equips children and young people with the tools and skills to achieve;
- Be tolerant and inclusive, so all children and young people are able to build effective relationships based on empathy, friendship and respect;
- Have access to excellent communication support.

MAIN ACTIVITIES UNDERTAKEN TO FURTHER THE CHARITY'S PURPOSES FOR THE PUBLIC BENEFIT

The Trustees confirm that they have paid due regard to the Charity Commission's guidance on public benefit, including the guidance contained in the document Public Benefit: Running a Charity (PB2).

ACHIEVEMENTS AND PERFORMANCE

Review of activities

Last year Trustees purposed the school with some challenging objectives including continuous improvement to the quality of the provision and securing financial sustainability.

The outcomes of independent, expert scrutiny into curriculum intent, implementation and impact led a non-stop focus on continuous improvements to learning. A curriculum policy and map is established to ensure whatever children and young people learn can be applied with independence and fluency.

Dialogue between professionals sparked constructive discussions and an idea about how deaf children can best access phonics. Collaboration formed a launch pad for accelerating language acquisition at the most crucial

time, Key Stages 1 and 2. Together with an innovative bilingual approach, the idea counters language deprivation, provides a gateway to the wider curriculum and drives up literacy - the ability to read, write, speak and understand what is written and spoken in a way that lets us communicate helps make sense of the world.

Pioneering progress is made in championing a model of social disability which recognises that disability is something that is created by society. For D/deaf children and young people this is often a lack of deaf awareness and sign language skills beyond the school gates. In the year the British Sign Language (BSL) team have delivered accredited BSL courses to front line services including the Police, Firefighters and children at local schools. In addition, functional and accredited BSL tuition is offered to all parents and carers of D/deaf children and young people at the school free of charge.

The school's aspiration to be the best outstanding provider of learning for D/deaf children and young people was put to the test by its social care regulator in February and November 2024. The outcome across all key headings is outstanding. Trustees are delighted to read that children make exceptional progress in education from their starting points, strong relationships are established with the local community and that staff are dedicated and committed childcare practitioners. At the time of writing this report the conclusion of another visit, Ofsted Education, is complete. Outcomes across all headings are Good, demonstrating the school's ability to consistently deliver good and outstanding outcomes against progressively stringent criteria.

Each and every success in the year represents the effort and skill of staff backed by a well resourced, programme of continuing professional development activities bespoke to each person's role. There were many highlights throughout the year. Two more Teachers of the Deaf achieved 1st class distinctions at masters level. Their research and published dissertations were of direct relevance to the achievements of D/deaf children and young people at the school. For example, research into bilingualism which places equal emphasis on English (spoken and written) and British Sign Language provided a sound evidence base advocating for deaf childrens' right to develop language preferences of their own. This research was presented to a group of ministers in parliament, calling into question thoughts and approaches which advocate use of one language to the exclusion of the other thereby limiting the services and provision known and available to all deaf children and their families.

A full complement of highly expert in house specialists enabled the school to step in to support where decision making at a national level reduced access to specialist services for D/deaf children and young people.

FINANCIAL REVIEW

Trustees continue to celebrate the outstanding financial health of the school endorsed by key funding partners. Excluding non-operational costs such as depreciation and central government grants to the costs of salary increases included, a small surplus is evident. Pupil numbers continue to grow protecting the breadth and depth of the provision and adding vibrancy to each key stage. Mindful of the fragile state of public finances no increases to fees were applied in the year. Fees remain based on a fair fee structure underpinned by a sound matrix of need. Each prospective joiner is assessed by highly specialist professionals including speech and language therapists, audiologist, subject specialist Teachers of the Deaf, health, wellbeing, British Sign Language and literacy leads before being mapped onto an Education Health and Care Plan. As a result good or better progress from every child's starting point is secured.

A registered charity and not-for-profit organisation, the school's sole beneficiaries are D/deaf children and young people. Against the backdrop of diminished resources and a Special Educational Needs and Disability (SEND) system widely acknowledged as broken, Trustees used their discretion to offer a number of placements to Local Authorities at a nominal charge where children and young people faced delays.

Reserves targets remain met in full with funds in excess designated to the costs of improving the residential experience and built environment for children staying away from home. Financial sustainability and success continue to be driven by robust stewardship of funds, an increasingly qualified, competent and confident staff team, effective structure and strong governance.

The broad headlines about financial performance remain relatively constant. The challenge of balancing two key financial indicators, fee income and staff expenditure, remain. Checks and balances are in place. Carefully considered budgets, timely and thorough management reporting, independent critical observation and regular collaboration between the Governing Body and Trust Board provide further opportunity for joined up thinking on the best use of resources. Ongoing inflationary pressures coupled with changes to National Insurance contributions to employers have added to the challenge of achieving a minimum break even position. The spot light is on income generation.

GOING CONCERN

After making appropriate enquiries, the Trustees reasonably expect the Charity has sufficient resources to continue in operational existence for the foreseeable future. For this reason they continue 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 Accounting Policies.

PRINCIPAL FUNDING

High needs funding direct from the Education and Skills Funding Agency with top-up fees from Local Authority placing partners represent the largest part of incoming resources. In the year to 31 August 2024 these amounted to 96% of total incoming resources.

RESERVES AND INVESTMENT POLICIES

The unrestricted funds shown on the balance sheet at the year end represent the free reserves of the charitable company. Current reserves enable the School to respond independently to material fluctuations in its operating commitments.

The target £0.9 - £1.3m of readily realisable reserves is met. Total reserves are £8.7 million, which includes fixed assets of £5.6 million. £181,316 of total reserves relates to restricted funds. The target level of reserves is likely to be increased in the coming year due to increasing inflationary costs. Reserves held above the target are designated to campus enhancement and developments to the benefit of D/deaf children and young people mentioned under the heading of plans for future development.

Trustees follow a policy of maintaining the investments of the charity in readily realisable, low risk cash products and investments are held in accordance with the trustees' powers. Investment and reserves policies are reviewed annually in conjunction with appointed investment managers.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The charitable company operates Royal School for the Deaf Derby, a non maintained special school approved for the education of deaf pupils aged 3 to 19.

The charitable company is a company limited by guarantee, governed by its Memorandum and Articles of Association and a Board of Governors. The Governors operate subject to a Scheme of Delegation approved by Trustees.

The Non Maintained Special School Regulations 2015 *(1)* define the Governing Body as the proprietor of the School. The Regulations follow the definition of proprietor in the Education Act 1996 which says, "proprietor", in relation to a school means the person or body of persons responsible for the management of the school' *(2)*.

(1) The Non-Maintained Special Schools (England) Regulations 2015 (legislation.gov.uk)
(2) Education Act 1996 (legislation.gov.uk)

Method of appointment or election of Trustees

The Trustees of the charitable company constitute directors for Companies Act purposes. One third of Trustees retire by rotation annually and may also be reappointed. The charitable company may otherwise by ordinary resolution appoint a trustee to either fill a casual vacancy or as an additional trustee. Appointment of additional Trustees is subject to the unanimous approval of existing Trustees who may seek out or advertise for additions to their number in order to enhance the skills and diversity of the Board.

The Governing Body are tasked with taking a strategic view of the school's policies and objectives. Progress and achievement across key functional operational areas are subject to more detailed monitoring and evaluation by governors' committees that meet at least once per academic term. Discrete committees meet in addition to full board meetings and have responsibilities under the following headings: Resources (including Finance, Human Resources, Premises and Health & Safety) Pupil Wellbeing & Attainment.

In addition to governor representation at these meetings, the chair of the Governing Body is invited to attend all trustee meetings. As well as general responsibilities, each governor is expected to have or adopt an area of special interest relevant to the school's operation and new governor recruitment is focused on the specialisms needed. The complement of the governing body is subject to annual ratification by Trustees. The governors may co opt additional members to enhance any of the committee's capabilities. New governors benefit from an induction process, are encouraged to access training and support through the Derby City governor programme and development sessions provided by the School's Improvement Officer tailored to the Governing Body's strategic plans and regulatory frameworks.

Organisational structure and decision making

Responsibility for the day to day organisation, management and control of the school lies with its executive, the senior leadership team (SLT) which is led by the Headteacher who is both a member of the SLT and ex officio member of the Governing Body. The remit of the Headteacher is to maintain and improve the quality of the provision and ensure pupil numbers are capable of protecting the breadth and depth of the curriculum. The performance management of the Headteacher is conducted by a specialist consultant together with the chair of the Governing Body. The performance management of other members of the leadership team is the responsibility of the Headteacher. Pay for members of the senior leadership team has been set on the advice of an external consultant with reference to the School Teachers' Pay and Conditions Document England & Wales. The pay of teaching staff is set by reference to the same Document and the pay of non teaching staff ordinarily but without precedent determined by reference to the Pay Scales and Allowances of the National Joint Council for Local Government Services together with accepted practice in the sector.

RISK MANAGEMENT

Governors and Trustees review the risks facing the school by taking on the role of critical friends, monitoring the quality of teaching and learning, school self-assessment and development plans, pupil attainment and wellbeing, safeguarding, income and expenditure, movements in restricted funds, cash flow, key financial indicators, annual budgets. An "at a glance" overview is provided to Trustees via a balanced scorecard. It gives a comprehensive overview of performance across all key functions identified in the Scheme of Delegation which, in turn, determines levels of autonomy in decision making structures. Individual governors are assigned to scrutinise and report on particular operational risk areas through the Committees listed above. At present Trustees delegate to the maximum level of autonomy provided for in the Scheme of Delegation continuing to adopt an "eyes on - hands off" approach.

Health and Safety issues are a permanent feature of the agenda at the Resources Committee. The declaration of any conflicts of interest is required before the start of all Trustee, Governor and Committee meetings. Alleged or suspected material safeguarding issues are a rolling agenda item at all Trustee and Governing Body meetings and initially reviewed in detail by the Pupil Wellbeing and Attainment Committee. There is a safeguarding team comprised of qualified and competent members of school staff led by the Deputy Head Care & Guidance who is

the Designated Safeguarding Lead line managed by the Headteacher. Safeguarding policy and practice is scrutinised by a dedicated Safeguarding Governor. Governors ensure that one of their number always acts as Safeguarding Governor and receives appropriate training.

Financial sustainability is intimately tied to the quality of the education and care, together maintaining pupil numbers at suitable fee levels. The Headteacher and Governing Body are required to pay particular attention to these areas.

The school is a member of the National Association of Special Schools, a body representing the interests of non maintained special schools. It also works closely with Derby City Council in addressing issues of mutual interest in the arena of the development of special education for deaf learners.

On 31 October 2024 the Chancellor gave notice of inclusion in Value Added Tax (VAT) policy to all Non Maintained Special Schools (NMSS) from 01 January 2025. There are inherent risks and benefits: the legislation is yet to be tested and was written for independent not NMSS. An implementation plan and risk assessment is in place guided by VAT experts. Benefits include a new opportunity to reclaim a portion of the VAT the school pays when purchasing some goods and services.

PLANS FOR FUTURE PERIODS

Future developments

As a long term campus development plan concludes, outcomes and recommendations from visits by key regulators are known and an interim school development plan ends new priorities are clearly in sight. The next challenge to the Governing Body and Senior Leadership Team is to consult and devise on a long term strategic plan to ensure Trustee support is relevant and targeted.

Last year Trustees noted that language is a fundamental part of being human citing research on language deprivation as a key barrier for deaf children. This impacts on many developmental outcomes including school readiness. Plans are afoot to build on the successes of messy play sessions and the PEEP Learning Together Programme for deaf pre-school children through provision of more Early Year and foundation Stage places. Early intervention is a cornerstone of development. Widening the offer will give the very best start to deaf children by surrounding them with a team of experts in their field who would ordinarily prove inaccessible.

A discrete budget is set aside to finish off curriculum design and mapping before moving on to focus on assessment in detail. This ensures resources are targeted and do not detract from other budget headings. Prospective pupil visits and assessments remain busy as trust and confidence in the provision continues to flourish. The number of children and young people on roll is growing at each key stage in both day and residential provisions. Plans to revisit the wishes of children and young people for an earth friendly, modern campus continue. Providing a contemporary space for children in residence to live and learn in is on the agenda.

Trustees look forward to the outcomes of a number of research projects which hold particular promise for the successes of D/deaf children and young people. The school is a key partner in an NHS project into the lived experiences of deaf people facing inequalities in health care. It's a fact, Deaf people have poorer health than the general population. They are more likely to have diabetes, heart disease, discover they have cancer at a late stage, and experience poor mental health. The research sets out to capture the experiences and wishes of the Deaf community including those of Deaf young people aged 16 – 19. It is a unique chance to shape key strategic decision making for healthier futures. Ongoing research by University College London, Deafness, Cognition and Language (DCAL) runs in tandem with the school's efforts to improve literacy and curriculum engagement. Most reading research has focused on mappings between auditory representations of spoken language and written words; unfortunately this is often to the exclusion of visual spoken language input (visual speech/ lipreading) which are increasingly recognised as important to language and reading development, not only in deaf children, but also in hearing children. The importance of sign language knowledge to reading development in deaf children is now also well established.

A review of the existing national curriculum and statutory assessment system in England, to ensure they are fit for purpose and meeting the needs of children and young people is commissioned by Government. The review concludes in spring 2025. Adapting to changes in curriculum content and assessment will inevitably follow.

Trustees' responsibilities statement

The Trustees who are also directors of Royal School for the Deaf Derby for the purposes of a company limited by guarantee are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 the incoming resources and application of resources, including the income and expenditure, of the charitable company 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;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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 therefore taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

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

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

.....

Mr D E Bulger

Date: 5 March 2025

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROYAL SCHOOL FOR THE DEAF DERBY

Opinion

We have audited the financial statements of Royal School for the Deaf Derby (the 'charity') for the year ended 31 August 2024 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 and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2024 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which 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, the Trustees (who are also the directors of the charitable company 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROYAL SCHOOL FOR THE DEAF DERBY (CONTINUED)

Based on our understanding of the charity and sector in which it operates, we considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. Audit procedures performed by the engagement team included:

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

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

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

Use of our report

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

Wayne Thomas FCA (Senior Statutory Auditor)
for and on behalf of
Bates Weston Audit Ltd
Statutory Auditors
Chartered Accountants
The Mills
Canal Street
Derby
DE1 2RJ

Date:

ROYAL SCHOOL FOR THE DEAF DERBY
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 AUGUST 2024

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Income from:					
Donations and legacies	2	**95,586**	**-**	**95,586**	*174,016*
Charitable activities	3	**4,347,043**	**447,744**	**4,794,787**	*4,793,613*
Other income		**126,021**	**-**	**126,021**	*71,646*
Total income		**4,568,650**	**447,744**	**5,016,394**	*5,039,275*
Expenditure on:					
Raising funds	4	**15,574**	**-**	**15,574**	*16,449*
Charitable activities	5	**4,514,716**	**341,193**	**4,855,909**	*5,186,160*
Total expenditure		**4,530,290**	**341,193**	**4,871,483**	*5,202,609*
Net income/(expenditure) before net gains on investments		**38,360**	**106,551**	**144,911**	*(163,334)*
Net gains on investments		**132,158**	**-**	**132,158**	*12,965*
Net income/(expenditure)		**170,518**	**106,551**	**277,069**	*(150,369)*
Transfers between funds	14	**(19,157)**	**19,157**	**-**	*-*
Net movement in funds		**151,361**	**125,708**	**277,069**	*(150,369)*
Reconciliation of funds:					
Total funds brought forward		**8,403,180**	**48,558**	**8,451,738**	*8,602,107*
Net movement in funds		**151,361**	**125,708**	**277,069**	*(150,369)*
Total funds carried forward		**8,554,541**	**174,266**	**8,728,807**	*8,451,738*

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

The notes on pages 14 to 30 form part of these financial statements.

ROYAL SCHOOL FOR THE DEAF DERBY
(A Company Limited by Guarantee)
REGISTERED NUMBER: 03367515

BALANCE SHEET
AS AT 31 AUGUST 2024

	Note		2024 £		2023 £
Fixed assets					
Tangible assets	9		**5,632,616**		*5,766,991*
Investments	10		**2,668,854**		*2,566,424*
			8,301,470		*8,333,415*
Current assets					
Debtors	11	**240,661**		*230,039*	
Investments	12	**404,612**		*151,427*	
Cash at bank and in hand		**147,242**		*124,480*	
		792,515		*505,946*	
Creditors: amounts falling due within one year	13	**(365,178)**		*(387,623)*	
Net current assets			**427,337**		*118,323*
Total net assets			**8,728,807**		*8,451,738*
Charity funds					
Restricted funds	14		**174,266**		*48,558*
Unrestricted funds	14		**8,554,541**		*8,403,180*
Total funds			**8,728,807**		*8,451,738*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

.....
Mr D E Bulger

Date: 5 March 2025

The notes on pages 14 to 30 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash used in operating activities	17	**120,061**	*(399,761)*
Cash flows from investing activities			
Dividends, interests and rents from investments		**85,545**	*30,635*
Purchase of investments		**(494,301)**	*(145,706)*
Proceeds from the disposal of investments		**564,642**	*149,838*
Net cash provided by investing activities		**155,886**	**34,767**
Change in cash and cash equivalents in the year		**275,947**	**(364,994)**
Cash and cash equivalents at the beginning of the year		**275,907**	*640,901*
Cash and cash equivalents at the end of the year	18	**551,854**	*275,907*

The notes on pages 14 to 30 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Royal School for the Deaf Derby meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Company status

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

1.3 Income

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

For legacies, entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Charity, or the Charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Pupil fee income represents fees invoiced to Local Authorities for educational purposes supplied during the year and recognised in the period to which it relates, together with "core" pupil funding from the Educational and Skills Funding Agency, recognised when it is received.

The charitable company also receives grants for educational purposes resulting from initiatives by the Department for Education and Skills.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the school. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

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

1. Accounting policies (continued)

1.4 Expenditure (continued)

Expenditure on charitable activities includes the cost of education activities undertaken to further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

1.5 Taxation

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

1.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Leasehold property includes the cost of any building improvements to leased land.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- 50 years
Motor vehicles	- 4 years
Fixtures and fittings	- 5 years

1.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

1.8 Operating leases

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

1. Accounting policies (continued)

1.9 Pensions

The School participates in a multi employer defined benefits pension scheme, "The Teachers' Pension Scheme (England and Wales)", for its teachers. As a result it is not possible or appropriate to identify the assets and liabilities of the Scheme which are attributable to the School. In accordance with Financial Reporting Standard 102 therefore, the Scheme is accounted for as a defined contribution scheme. The Scheme is managed by the Department of Education.

The charity operates a defined contributions arrangement for its non-teaching staff in terms of group personal pension plans.

Contributions to both schemes are charged in the Statement of financial activities (incorporating income and expenditure account) as they become payable in accordance with the rules of the Scheme.

1.10 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2. Income from donations and legacies

	Unrestricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Donations	17,707	**17,707**	*91,194*
Grants	77,879	**77,879**	*82,822*
Total 2024	95,586	**95,586**	*174,016*

3. Income from charitable activities

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Pupil fee income	3,387,043	-	**3,387,043**	*3,390,699*
Government grants	960,000	447,744	**1,407,744**	*1,402,914*
Total 2024	4,347,043	447,744	**4,794,787**	*4,793,613*
Total 2023	*4,340,409*	*453,204*	*4,793,613*	

Government grants received support the provision of education to pupils.

4. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Investment management fees	15,574	**15,574**	*16,449*

5. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	*Total 2023 £*
Staffing costs	3,303,594	267,563	**3,571,157**	*3,449,431*
Education and pupil support costs	360,696	-	**360,696**	*362,293*
Campus and property costs	533,710	73,630	**607,340**	*1,017,431*
Administration costs	259,702	-	**259,702**	*275,170*
Governance costs	57,014	-	**57,014**	*81,835*
	4,514,716	341,193	**4,855,909**	*5,186,160*
Total 2023	*4,855,171*	*330,989*	*5,186,160*	

Summary by expenditure type

	Staff costs 2024 £	Depreciation 2024 £	Other costs 2024 £	Total 2024 £	*Total 2023 £*
Staffing costs	3,462,084	-	109,073	**3,571,157**	*3,449,431*
Education and pupil support costs	-	-	360,696	**360,696**	*362,293*
Campus and property costs	-	134,374	472,966	**607,340**	*1,017,431*
Administration costs	-	-	259,702	**259,702**	*275,170*
Governance costs	-	-	57,014	**57,014**	*81,835*
	3,462,084	134,374	1,259,451	**4,855,909**	*5,186,160*
Total 2023	*3,368,061*	*144,402*	*1,673,697*	*5,186,160*	

6. Auditors' remuneration

	2024 £	2023 £
Auditors' remuneration	**12,570**	*9,975*
Fees payable to the Charity's auditor in respect of:		
Non-audit services	**5,160**	*8,025*

7. Staff costs

	2024 £	2023 £
Wages and salaries	**2,840,587**	*2,825,372*
Social security costs	**277,926**	*248,373*
Other pension costs	**343,571**	*294,316*
	3,462,084	*3,368,061*

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

	2024	2023
Academic	**27**	*27*
Residential care	**8**	*9*
Learning support	**42**	*46*
Corporate & technical services	**25**	*29*
	102	*111*

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

	2024 No.	2023 No.
In the band £60,001 - £70,000	**3**	*1*
In the band £80,001 - £90,000	**-**	*1*
In the band £90,001 - £100,000	**1**	-

Key management personnel during the year comprised the Senior Leadership Team who received total remuneration and benefits of £359,215 (2023 - £305,383).

8. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2023 - £NIL)*.

During the year ended 31 August 2024, expenses totalling £NIL for mileage were reimbursed or paid directly to Trustees *(2023 - £NIL)*

9. Tangible fixed assets

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Total £
Cost				
At 1 September 2023	**6,100,000**	**58,265**	**309,209**	**6,467,474**
At 31 August 2024	**6,100,000**	**58,265**	**309,209**	**6,467,474**
Depreciation				
At 1 September 2023	**354,986**	**58,265**	**287,232**	**700,483**
Charge for the year	**122,000**	**-**	**12,375**	**134,375**
At 31 August 2024	**476,986**	**58,265**	**299,607**	**834,858**
Net book value				
At 31 August 2024	**5,623,014**	**-**	**9,602**	**5,632,616**
At 31 August 2023	*5,745,014*	*-*	*21,977*	*5,766,991*

10. Fixed asset investments

	Listed investments £
Valuation	
At 1 September 2023	**2,566,424**
Additions	**494,301**
Disposals	**(564,642)**
Revaluations	**172,771**
At 31 August 2024	**2,668,854**

11. Debtors

	2024 £	2023 £
Trade debtors	**143,677**	*138,234*
Prepayments and accrued income	**96,984**	*91,805*
	240,661	*230,039*

12. Current asset investments

	2024 £	2023 £
Cash on deposit	**404,612**	*151,427*

13. Creditors: Amounts falling due within one year

	2024 £	2023 £
Trade creditors	**100,849**	*112,594*
Other taxation and social security	**56,539**	*55,262*
Other creditors	**46,779**	*26,109*
Accruals and deferred income	**161,011**	*193,658*
	365,178	*387,623*

	2024 £	2023 £
Deferred income at 1 September 2023	**116,556**	*117,051*
Resources deferred during the year	**97,010**	*116,556*
Amounts released from previous periods	**(116,556)**	*(117,051)*
Deferred income as at 31 August 2024	**97,010**	*116,556*

Deferred income includes fees charged for pupils of £nil (2023: £19,199), ESFA grant funding totaling £93,075 (2023: £94,765) and other income of £3,935 (2023: £2,671).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

14. Statement of funds

Statement of funds - current year

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2024 £
Unrestricted funds						
Designated funds						
Children's Fund	4,214	-	(265)	-	-	3,949
Fundraising	11,696	6,505	(11,410)	-	-	6,791
Tuck Shop	-	890	(833)	-	-	57
Campus enhancement	2,566,424	-	-	(29,728)	132,158	2,668,854
	2,582,334	7,395	(12,508)	(29,728)	132,158	2,679,651
General funds						
General funds	5,820,846	4,561,255	(4,517,782)	10,571	-	5,874,890
Total Unrestricted funds	8,403,180	4,568,650	(4,530,290)	(19,157)	132,158	8,554,541
Restricted funds						
Greggs	-	1,412	(1,741)	329	-	-
Devolved Capital Grant	448	9,214	(448)	-	-	9,214
NMSS Maintenance Grant	-	115,634	-	-	-	115,634
Pupil Premium Receipts	-	82,427	(78,939)	-	-	3,488
Sports Premium Grant	261	16,240	(15,080)	-	-	1,421
Roe Memorial	34,687	-	-	-	-	34,687
European Visits Fund	6,861	-	(6,861)	-	-	-
Minibus Fund	1,450	5,272	-	-	-	6,722

14. Statement of funds (continued)

Statement of funds - current year (continued)

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2024 £
DCEP Legacy Theatre	2,500	-	-	-	-	2,500
Moscow Bilingual	1,650	-	(2,712)	1,062	-	-
Tutoring Grant	-	(10,716)	(7,050)	17,766	-	-
Bursary 23/24	-	3,264	(3,264)	-	-	-
Foundation Derbyshire	701	-	(701)	-	-	-
Teachers Pay Grant	-	223,597	(223,597)	-	-	-
ESFA Mental Health Grant	-	1,400	(800)	-	-	600
	48,558	447,744	(341,193)	19,157	-	174,266
Total of funds	8,451,738	5,016,394	(4,871,483)	-	132,158	8,728,807

Statement of funds - prior year

	Balance at 1 September 2022 £	*Income £*	*Expenditure £*	*Transfers in/out £*	*Gains/ (Losses) £*	*Balance at 31 August 2023 £*
Unrestricted funds						
Designated funds						
Children's Fund	*4,307*	-	*(93)*	-	-	*4,214*
Fundraising	*5,000*	*12,471*	*(5,775)*	-	-	*11,696*
Tuck Shop	*657*	*700*	*(1,357)*	-	-	-
Campus enhancement	*2,460,750*	-	-	*105,674*	-	*2,566,424*
	2,470,714	*13,171*	*(7,225)*	*105,674*	-	*2,582,334*

14. **Statement of funds (continued)**

General funds						
General funds	*6,060,366*	*4,572,900*	*(4,864,395)*	*39,010*	*12,965*	*5,820,846*
Total Unrestricted funds	*8,531,080*	*4,586,071*	*(4,871,620)*	*144,684*	*12,965*	*8,403,180*
Restricted funds						
Greggs	*692*	*970*	*(2,163)*	*501*	-	-
Devolved Capital Grant	*4,690*	*29,105*	*(33,347)*	-	-	*448*
NMSS Maintenance Grant	-	*116,757*	*(116,757)*	-	-	-
Pupil Premium Receipts	-	*95,366*	*(95,366)*	-	-	-
Sports Premium Grant	-	*16,220*	*(15,959)*	-	-	*261*
Roe Memorial	*34,687*	-	-	-	-	*34,687*
European Visits Fund	*13,941*	*2,100*	*(9,180)*	-	-	*6,861*
Minibus Fund	-	*1,450*	-	-	-	*1,450*
DCEP Legacy Theatre	-	*2,500*	-	-	-	*2,500*
Moscow Bilingual	*1,650*	-	-	-	-	*1,650*
Sponsorship 5 aside	*5,430*	-	*(5,430)*	-	-	-
Tutoring Grant	-	*35,479*	*(35,479)*	-	-	-
Free School Meals	-	*739*	-	*(739)*	-	-
Deaf Heritage	*8,205*	-	*(10,065)*	*1,860*	-	-
Bursary 20/21	*311*	-	*(311)*	-	-	-
Foundation Derbyshire	*1,421*	-	*(720)*	-	-	*701*
Teachers Pay Grant	-	*147,518*	-	*(147,518)*	-	-
Zochonis Trust	-	*5,000*	*(6,212)*	*1,212*	-	-
	71,027	*453,204*	*(330,989)*	*(144,684)*	-	*48,558*

14. Statement of funds (continued)

Total of funds	*8,602,107*	*5,039,275*	*(5,202,609)*	*-*	*12,965*	*8,451,738*

Transfers between funds
The transfer into designated funds relates to investment movements so that the carry forward balance reflects available funds at the balance sheet date.

The Teachers Pay Grant transfer relates to the expenditure incurred by the entity on salaries and pensions, which has been allocated against restricted grant income received for the purpose of subsidising these costs.

The following are restricted and designated funds identified in the statement of funds noted above.

The designated Children's Fund arises from individual unrestricted donations received by the charitable company that are used in the support of pupils in situations of hardship and for the provision of items for residential pupils not normally funded through local authority fees.

The designated Campus enhancement fund represents amounts held as long-term investments that may be utilised towards improvements of the school site, as earmarked in the future plan for campus enhancement.

The closing balance of the DfE Devolved Capital and NMSS Maintenance Grants represent contributions to the cost of ensuring the campus is fit for purpose and wherever possible energy efficient and earth friendly.

Beneficiaries of pupil and recovery premiums are children and young people facing relative socio-economic disadvantage. Each premium is focused on effective approaches to raising educational attainment for example, supporting high quality learning and tackling non-academic barriers to academic success, such as difficulties with attendance, behaviour and social and emotional wellbeing. A full report on the impact of these premiums is published annually on our website.

The national tutoring grant is similar to the pots of funding above however it is a discrete fund used only to provide a fraction of costs of school led tutoring. This year in house specialists have provided targeted academic support to individual and groups of disadvantaged pupils and also those who are below the expected standard or grade boundary in an applicable subject.

Our primary PE and sport premium led to sustainable improvements to the provision of PE and sport to the benefit of all primary-aged pupils. A sustainable programme to encourage the development of healthy, active lifestyles continues. We report on the impact of our PE and sport premium each year on our website.

Germany and European visit funds were combined last year to enable young people to participate in a final school exchange with our twinned school in Osnabrück Germany. Historically the funds provided other enrichment opportunities promoting cultural experiences to expand the experiences and horizons of young people.

Foundation Derbyshire and Moscow Bilingual funds are now spent. In the year each fund contributed to the costs of providing free British Sign Language tuition and assessments for families of children and young people at the School. We know that language is a fundamental part of being human and enabling families to learn together creates positive family relationships.

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

	2024 £	2023 £
Net income/expenditure for the period (as per Statement of Financial Activities)	**277,069**	*(150,369)*
Adjustments for:		
Depreciation charges	**134,375**	*144,400*
Gains on investments	**(172,771)**	*(109,806)*
Dividends, interests and rents from investments	**(85,545)**	*(30,635)*
Movement in debtors	**(10,622)**	*(105,466)*
Movement in creditors	**(22,445)**	*(147,885)*
Net cash provided by/(used in) operating activities	**120,061**	*(399,761)*

18. Analysis of cash and cash equivalents

	2024 £	2023 £
Cash in hand	**147,242**	*124,480*
Notice deposits (less than 3 months)	**404,612**	*151,427*
Total cash and cash equivalents	**551,854**	*275,907*

19. Analysis of changes in net debt

	At 1 September 2023 £	Cash flows £	At 31 August 2024 £
Cash at bank and in hand	**124,480**	**22,762**	**147,242**
Cash equivalents	**151,427**	**253,185**	**404,612**
	275,907	**275,947**	**551,854**

20. Pension commitments

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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

The pension charge for the year includes contributions payable to the TPS of £280,209 (2023 - £234,406). At the year-end £35,162 (2023 - £26,110) was accrued in respect of contributions to this scheme. The Charity also runs a scheme for its non-teaching staff under which defined contributions are paid into a group personal pension arrangement. The cost for the year represents the School's contributions to that Scheme of £63,362 (2023 - £59,910).

VALUATION OF THE TEACHERS' PENSION SCHEME

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 27 October 2023, with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI.The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay, including a 0.08% employer administration charge;
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million, and notional assets (estimated future contribution 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 TPS valuation for 2020 determined an employer rate of 28.68%, which was payable from 1 April 2024.

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

21. Related party transactions

The Charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Charity at 31 August 2024.

22. Controlling party

The Trustees consider there to be no ultimate controlling party.

ROYAL SCHOOL FOR THE DEAF DERBY

England & Wales - Charity number 1062507

Accounts

Registered number: 03367515
Charity number: 1062507

ROYAL SCHOOL FOR THE DEAF DERBY

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

ROYAL SCHOOL FOR THE DEAF DERBY
(A Company Limited by Guarantee)

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ROYAL SCHOOL FOR THE DEAF DERBY

(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2023

Trustees	Mr D C du Celliee Muller Mr J A B Ottewell Mr D E Bulger Mr C Crowley Mr M I Tomalin (appointed 1 September 2022)
Company registered number	03367515
Charity registered number	1062507
Registered office	180 Ashbourne Road Derby DE22 3BH
Company secretary	Miss H N Radford
Independent auditors	Bates Weston Audit Ltd Statutory Auditors Chartered Accountants The Mills Canal Street Derby DE1 2RJ
Bankers	HSBC Bank Plc 1 St Peter's Street Derby DE1 2AE

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their annual report together with the audited financial statements for the year 1 September 2022 to 31 August 2023. The Trustees confirm that the Annual Report and financial statements of the company comply with current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

OBJECTIVES AND ACTIVITIES

Policies and objectives

The main objective of the charitable company is to promote the relief of children and young people who are deaf or whose hearing or speech is impaired, by furthering their education.

Strategies for achieving objectives

Accordingly, the charitable company is dedicated to the operation of an effective special school for deaf children and young people.

Activities for achieving objectives

Curriculum design which places the progress and experiences of children at the heart of everyday practice.

A clear vision for children and young people to:

- Have confidence in developing their own deaf identity and their sense of belonging;
- Feel safe, happy and cared for in an environment where all children are listened to, can express their views and are understood whatever their preferred communication;
- Be challenged to achieve their best through excellent teaching, a comprehensive curriculum and a wide variety of experiences from Early Years to 16 Plus;
- Work in an environment that encourages lifelong learning, and equips children and young people with the tools and skills to achieve;
- Be tolerant and inclusive, so all children and young people are able to build effective relationships based on empathy, friendship and respect;
- Have access to excellent communication support.

MAIN ACTIVITIES UNDERTAKEN TO FURTHER THE CHARITY'S PURPOSES FOR THE PUBLIC BENEFIT

The trustees confirm that they have paid due regard to the Charity Commission's guidance on public benefit, including the guidance contained in the document 'Public Benefit: Running a Charity (PB2)'.

ACHIEVEMENTS AND PERFORMANCE

Review of activities

Last year Trustees tasked the school with some challenging questions including, what is the best way to grow the knowledge, skills and abilities of all children and young people so they can apply what they know with fluency and independence? In response the Governing Body and Senior Leadership Team sourced expert independent scrutiny. Deep dives into the quality of education, behaviour and attitudes, safeguarding, personal development, leadership and management began. The outcome of the scrutiny tells us what needs to be done to improve curriculum intent, implementation and impact in the year ahead.

Children and young people enjoyed extensive opportunities to explore their local communities and travel further afield. Generous grants and strong stewardship of funds enabled all to participate regardless of their socio

economic group, special educational needs or disability. Primary children enjoyed learning through adventure at The Duke's Barn, visiting the Space Centre and hosted their own Diwali and Bandi Chhor Divas. Secondary aged learners visited our twinned school in Germany to re-connect with old friends and find out more about German culture and sign language. Another group visited Paris calling, of course, at Disney Land to interact with iconic characters. Young people in Post 16 took part in the Lessons from Auschwitz Project flying to Poland to visit the Auschwitz-Birkenau Memorial and museum in person, take in testimony from a Holocaust survivor and join experts in Holocaust education for two life-changing seminars. Each outing a perfect opportunity to develop resilience, independence and put speech and language skills into practice by communicating, talking and listening to different people, in different contexts with different views. Every experience built cultural capital - the know-how, skills and lived experiences that make for a successful transition to life beyond school.

The Governing Body and Senior Leadership Team know continuous organisational and professional development is fundamental to realising the school's aspirations to become the best outstanding provider of education and care for deaf children and young people. All staff enjoyed access to a fully sponsored, personalised continuing professional development plan leading to professional accreditation whatever their role, Highly Specialist Speech and Language Therapist, Subject Specialist Teacher of the Deaf, Audiologist, Education Assistant, Communication Support Worker, Wellbeing Lead, Deaf Instructor. The proximity of the team to each other and every child proved capable of recognising the varied and often complex needs of deaf children. After the findings of the widely recognised report by the Education Policy Institute about why deaf children face negative grade differences Trustees are reassured that, although there is a more to be done, Royal School for the Deaf Derby is on the right track.

We know that language is a fundamental part of being human. Research by and for the British Association of Teachers of the Deaf (BATOD) cite language deprivation as a key barrier for deaf children impacting on many developmental outcomes including school readiness. In the year the school partnered up with Derby City Council to deliver the PEEP Learning Together Programme (LTP) for deaf pre-school children and deaf parents and carers. Sessions provided expert advice and guidance in language development and the chance to study towards an accredited Entry Level 3, Level 1 or Level 2 NOCN Certificate in Supporting Early Learning at Home. Progress made carries forward into the year ahead. As sessions continue and numbers grow expertise is shared to secure the best start in life for deaf children.

Outreach gathered significant momentum led by the British Sign Language team. Accredited and functional courses are delivered to a range of audiences including the Fire Service, teachers and assistants in enhanced resource units for deaf children, children in mainstream education and parents and carers of children here at Royal School for the Deaf Derby. We are especially keen to support a new cohort of families displaced from the Ukraine with the language and skills needed to fully participate in the life of the school and wider communities.

Other projects in the year included making our entrances disabled friendly, removal of porta cabins, redecoration and refurbishment of the main school building. Inspired by an up and coming cohort of 96 digital natives on roll plans to commission and build a brand new website to show case the school are realised. The vibrancy of school life is now captured on our webpages communicating the interests and experiences of deaf children loud and clear.

FINANCIAL REVIEW

Trustees continue to celebrate the outstanding financial health of the school endorsed by key funding partners. Prospective pupil visits and assessments are busy demonstrating trust and confidence in the performance of the school from a wide range of stakeholders. Mindful of the fragile state of public finances fees remain based on a fair fee structure underpinned by a sound matrix of need to ensure individual need can be met and progress made from each child's starting point. At the end of this financial year, but for depreciation, which is a non cash item, a break-even position is reported.

Following a healthy surplus made in the previous financial year Trustees approved an extraordinary budget, forecasting a deficit to allow continuous campus improvements. The approach demonstrates the belief that value

for money is created by showing what we spend money on is of direct benefit to children and young people. In the face of volatile and unpredictable inflationary pressures the wishes of children and young people for a contemporary and earth friendly campus to live and learn in kept momentum.

Reserves targets remain met in full with funds in excess dedicated to the costs of improving the residential experience and built environment for children staying away from home. Financial sustainability and success continue to be driven by robust stewardship of funds, an increasingly qualified, competent and confident staff team, effective structure and strong governance.

The challenge of balancing two key financial indicators, fee income and staff expenditure, remain. Checks and balances are in place. Carefully considered budgets, timely and thorough management reporting, independent critical observation and regular collaboration between the Governing Body and Trust Board provide further opportunity for joined up thinking. Inflationary pressures now present an added challenge to achieving a minimum break even position turning the spotlight on income generation as a key priority.

A number of restricted and designated funds made substantial contributions to achieving the values and vision of the School. School Capital Allocations and Devolved Formula Capital were put to the costs of campus enhancements. A deposit is paid for a new minibus. Trustees wish to thank staff and wider deaf communities for their effort put to this success. Bids to a number of grant making foundations provided funds to offer free British Sign Language tuition, populate our mini Forest School woodland, purchase extracurricular exercise equipment and subsidise the hire of facilities for local educational charities and Deaf organisations.

As an educational charity the school is unable to reclaim VAT input tax on costs as we are exempt for tax purposes. We pay tax as an employer through the national insurance contributions we make.

GOING CONCERN

After making appropriate enquiries, the Trustees reasonably expect the Charity has sufficient resources to continue in operational existence for the foreseeable future. For this reason they continue 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 Accounting Policies.

PRINCIPAL FUNDING

Pupil fees received from the Education and Skills Funding Agency and Local Authorities represent the largest part of incoming resources. In the year to 31 August 2023 amounting to 95% of total incoming resources.

RESERVES AND INVESTMENT POLICIES

The unrestricted funds shown on the balance sheet at the year end represent the free reserves of the charitable company. Current reserves enable the School to respond independently to material fluctuations in its operating commitments.

Last year the school achieved its target £0.9 - £1.3m of readily realisable reserves. Total reserves are £8,451,738 of which fixed assets are £5,766,991. £48,558 relates to restricted funds.

Trustees follow a policy of maintaining the investments of the charity in readily realisable, low risk cash products and investments are held in accordance with the trustees' powers. Investment and reserves policies are reviewed annually in conjunction with appointed investment managers.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The charitable company is a company limited by guarantee, governed by its Memorandum and Articles of Association and a Board of Governors. The Governors operate subject to a Scheme of Delegation approved by Trustees.

The charitable company operates Royal School for the Deaf Derby, a non maintained special school approved for the education of deaf pupils aged 3 to 19.

Method of appointment or election of Trustees

The Trustees of the charitable company constitute directors for Companies Act purposes. One third of Trustees retire by rotation annually and may also be reappointed. The charitable company may otherwise by ordinary resolution appoint a trustee to either fill a casual vacancy or as an additional trustee. Appointment of additional Trustees is subject to the unanimous approval of existing Trustees who may seek out or advertise for additions to their number in order to enhance the skills and diversity of the Board.

The Governing Body are tasked with taking a strategic view of the school's policies and objectives. Progress and achievement across key functional operational areas are subject to more detailed monitoring and evaluation by governors' committees that meet at least once per academic term. Discrete committees meet in addition to full board meetings and have responsibilities under the following headings: Resources (including Finance, Human Resources, Premises and Health & Safety) Pupil Wellbeing & Attainment

In addition to governor representation at these meetings, the chair of the Governing Body is invited to attend all trustee meetings. As well as general responsibilities, each governor is expected to have or adopt an area of special interest relevant to the school's operation and new governor recruitment is focused on the specialisms needed. The complement of the governing body is subject to annual ratification by Trustees. The governors may co opt additional members to enhance any of the committee's capabilities. New governors benefit from an induction process, are encouraged to access training and support through the Derby City governor programme and development sessions provided by the School’s Improvement Officer tailored to the Governing Body’s strategic plans and the regulatory framework.

Organisational structure and decision making

Responsibility for the day to day organisation, management and control of the school lies with its executive, the senior leadership team (SLT) led by the Headteacher who is both a member of the SLT and ex officio member of the Governing Body. The remit of the Headteacher is to maintain and improve the quality of the provision and ensure pupil numbers are capable of protecting the breadth and depth of the curriculum. The performance management of the Headteacher is conducted by a specialist consultant together with the chair of the Governing Body. The performance management of other members of the leadership team is the responsibility of the Headteacher. Pay for members of the senior leadership team has been set on the advice of an external consultant with reference to the School Teachers' Pay and Conditions Document England & Wales. The pay of teaching staff is set by reference to the same Document and the pay of non teaching staff ordinarily but without precedent determined by reference to the Pay Scales and Allowances of the National Joint Council for Local Government Services together with accepted practice in the sector. In all cases pay is tied to performance through performance management activities.

RISK MANAGEMENT

Governors and Trustees review the risks facing the school by taking on the role of critical friends, monitoring the quality of teaching and learning, school self-assessment and development plans, pupil attainment and wellbeing, safeguarding, income and expenditure, movements in restricted funds, cash flow, key financial indicators, annual

budgets. An at a glance overview is provided to Trustees via a balanced scorecard. It gives a comprehensive overview of performance across all key functions identified in the Scheme of Delegation which, in turn, determines levels of autonomy in decision making structures. Individual governors are assigned to scrutinise and report on particular operational risk areas through the Committees listed above. At present Trustees delegate the maximum level of autonomy provided for in the Scheme of Delegation continuing to adopt an “eyes on - hands off” approach.

Health and Safety issues are a permanent feature of the agenda at the Resources Committee. The declaration of any conflicts of interest is required before the start of all Trustee, Governor and Committee meetings. Alleged or suspected material safeguarding issues are a rolling agenda item at all Trustee and Governing Body meetings and initially reviewed in detail by the Pupil Wellbeing and Attainment Committee. There is a safeguarding team comprised of qualified and competent members of school staff led by the Deputy Head Care & Guidance who is the Designated Safeguarding Lead line managed by the Headteacher. Safeguarding policy and practice is scrutinised by a dedicated Safeguarding Governor. Governors ensure that one of their number always acts as Safeguarding Governor and receives appropriate training.

Long term financial health is intimately tied to the maintenance and development of pupil numbers at suitable fee levels. The Headteacher and Finance Committee are required to pay particular attention to this need.

The school is a member of the National Association of Special Schools, a body representing the interests of non maintained special schools. It also works closely with Derby City Council in addressing issues of mutual interest in the arena of the development of special education for deaf learners.

PLANS FOR FUTURE PERIODS

Future developments

Significant effort and skill is needed to continuously improve both the quality of education and care and increase income streams. Quality of provision and financial sustainability are intimately tied and hold synergy for the future, stronger together that the sum of their parts. The outcome of independent external scrutiny into key aspects of the provision maps out improvements needed to become an outstanding provider. The fragile state of public finances poses hazards but also opportunities to collaborate with Local Authority placing partners struggling to discharge their obligations to deaf children and young people. Service level agreements for the provision of highly specialist speech and language therapy, audiology, British Sign Language and Teacher of the Deaf expertise are on the horizon. With the right support at the right time in the right place for deaf children and young people at any key stage there is scope to support a wider cohort beyond the school gates.

Persistent focus on financial sustainability resulting in healthy reserves has extended the scope for children, young people, staff and wider stakeholders to have their say on future developments. Substantial changes to the built environment across all aspects of accommodation are taking shape, providing a contemporary place for children and young people to live and learn in whilst away from home. At the time of writing this report trustees are looking forward to presenting plans to children and young people to gather their views, preferences and ideas for a better, modern place to stay.

Nationwide recruitment challenges do not currently present a challenge though amplify the need for an organisational “skills bill” to attract and retain the best expertise. In the year ahead significant resource is dedicated to partnership working and collective learning with the University of Leeds and Birmingham at post graduate and masters level. Non-stop improvements in professionals’ knowledge, skills and competence in deaf education take aim at critiquing and removing the challenges that prevent deaf children and young people making progress on a par with their non-deaf peers. Engagement with other professional networks and collaborative projects include participation in research by the Deafness Cognition and Language Research Centre part of University College London into Understanding Visual Communication and Reading in Deaf Children. Next year the School joins forces with the University Hospitals of Derby and Burton NHS foundation Trust, co-partnering a bid for funds to give Deaf people a voice in overcoming health inequalities in D/deaf

communities. We look forward to maximising the outcomes of each collaboration to the ultimate benefit of deaf children and young people.

An increasing number of external stakeholders and potential partners are scheduled to visit as the school becomes increasingly outward facing. Regular community events and external speakers will deliver information, advice and guidance on a number of topical issues to the deaf community, children and young people. A number of educational charities and Deaf organisations are making good use of campus facilities including the British Deaf Association as they embark on their new project to improve equality and rights project for Deaf people in Derby and Derbyshire. Whole school events will welcome an entourage of community leaders, grant makers, employers, influencers and positive role models. All with an eye connecting children and young people with those outside of their immediate community to build social capital so everyone can experience a sense of belonging and hold aspirations for their futures.

Trustees' responsibilities statement

The Trustees who are also directors of Royal School for the Deaf Derby for the purposes of a company limited by guarantee (not share capital and gain no personal benefit or remuneration for their work) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 the incoming resources and application of resources, including the income and expenditure, of the charitable company 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;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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 therefore taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

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

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

Mr J A B Ottewell

Date: 1 February 2024

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROYAL SCHOOL FOR THE DEAF DERBY

Opinion

We have audited the financial statements of Royal School for the Deaf Derby (the 'charity') 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 and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which 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, the Trustees (who are also the directors of the charitable company 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

Based on our understanding of the charity and sector in which it operates, we considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. Audit procedures performed by the engagement team included:

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

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

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

Use of our report

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

Wayne Thomas ACA (Senior Statutory Auditor)
for and on behalf of
Bates Weston Audit Ltd
Statutory Auditors
Chartered Accountants
The Mills
Canal Street
Derby
DE1 2RJ

14 February 2024

ROYAL SCHOOL FOR THE DEAF DERBY

(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Income from:					
Donations and legacies	2	**174,016**	**-**	**174,016**	*6,742,728*
Charitable activities	3	**4,340,409**	**453,204**	**4,793,613**	*4,733,856*
Other income		**71,646**	**-**	**71,646**	*20,269*
Total income		**4,586,071**	**453,204**	**5,039,275**	*11,496,853*
Expenditure on:					
Raising funds	4	**16,449**	**-**	**16,449**	*-*
Charitable activities	5	**4,855,171**	**330,989**	**5,186,160**	*4,654,121*
Total expenditure		**4,871,620**	**330,989**	**5,202,609**	*4,654,121*
Net (expenditure)/income before net gains/(losses) on investments		**(285,549)**	**122,215**	**(163,334)**	*6,842,732*
Net gains/(losses) on investments		**12,965**	**-**	**12,965**	*(153,076)*
Net (expenditure)/income		**(272,584)**	**122,215**	**(150,369)**	*6,689,656*
Transfers between funds	14	**144,684**	**(144,684)**	**-**	*-*
Net movement in funds		**(127,900)**	**(22,469)**	**(150,369)**	*6,689,656*
Reconciliation of funds:					
Total funds brought forward		**8,531,080**	**71,027**	**8,602,107**	*1,912,451*
Net movement in funds		**(127,900)**	**(22,469)**	**(150,369)**	*6,689,656*
Total funds carried forward		**8,403,180**	**48,558**	**8,451,738**	*8,602,107*

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

The notes on pages 14 to 30 form part of these financial statements.

ROYAL SCHOOL FOR THE DEAF DERBY

(A Company Limited by Guarantee)
REGISTERED NUMBER: 03367515

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note		2023 £		*2022 £*
Fixed assets					
Tangible assets	9		**5,766,991**		*5,911,391*
Investments	10		**2,566,424**		*2,460,750*
			8,333,415		*8,372,141*
Current assets					
Debtors	11	**230,039**		*124,573*	
Investments	12	**151,427**		*51,224*	
Cash at bank and in hand		**124,480**		*589,677*	
		505,946		*765,474*	
Creditors: amounts falling due within one year	13	**(387,623)**		*(535,508)*	
Net current assets			**118,323**		*229,966*
Total net assets			**8,451,738**		*8,602,107*
Charity funds					
Restricted funds	14		**48,558**		*71,027*
Unrestricted funds	14		**8,403,180**		*8,531,080*
Total funds			**8,451,738**		*8,602,107*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Mr J A B Ottewell

Date: 1 February 2024

The notes on pages 14 to 30 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	*2022 £*
Cash flows from operating activities			
Net cash used in operating activities	17	**(399,761)**	*344,457*
Cash flows from investing activities			
Dividends, interests and rents from investments		**30,635**	*13,655*
Sale of tangible fixed assets		**-**	*520*
Purchase of investments		**(145,706)**	*(1,071,734)*
Proceeds from the disposal of investments		**149,838**	*16,413*
Classification transfer of brought forward cash investments		**-**	*(1,254,712)*
Net investments acquired from connected company		**-**	*1,020,663*
Net cash provided by/(used in) investing activities		**34,767**	**(1,275,195)**
Change in cash and cash equivalents in the year		**(364,994)**	**(930,738)**
Cash and cash equivalents at the beginning of the year		**640,901**	*1,571,639*
Cash and cash equivalents at the end of the year	18	**275,907**	*640,901*

The notes on pages 14 to 30 form part of these financial statements

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

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Royal School for the Deaf Derby meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Company status

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

1.3 Income

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

For legacies, entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Charity, or the Charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Pupil fee income represents fees invoiced to Local Authorities for educational purposes supplied during the year and recognised in the period to which it relates, together with "core" pupil funding from the Educational and Skills Funding Agency, recognised when it is received.

The charitable company also receives grants for educational purposes resulting from initiatives by the Department for Education and Skills.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the school. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

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

1. Accounting policies (continued)

1.4 Expenditure (continued)

Expenditure on charitable activities includes the cost of education activities undertaken to further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

1.5 Taxation

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

1.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Leasehold property includes the cost of any building improvements to leased land.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- 50 years
Motor vehicles	- 4 years
Fixtures and fittings	- 5 years

1.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as ‘Gains/(Losses) on investments’ in the Statement of Financial Activities.

1.8 Operating leases

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

1. Accounting policies (continued)

1.9 Pensions

The School participates in a multi employer defined benefits pension scheme, "The Teachers' Pension Scheme (England and Wales)", for its teachers. As a result it is not possible or appropriate to identify the assets and liabilities of the Scheme which are attributable to the School. In accordance with Financial Reporting Standard 102 therefore, the Scheme is accounted for as a defined contribution scheme. The Scheme is managed by the Department of Education.

The charity operates a defined contributions arrangement for its non-teaching staff in terms of group personal pension plans.

Contributions to both schemes are charged in the Statement of financial activities (incorporating income and expenditure account) as they become payable in accordance with the rules of the Scheme.

1.10 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2. Income from donations and legacies

	Unrestricted funds 2023 £	**Total funds 2023 £**	*Total funds 2022 £*
Donations	91,194	**91,194**	*231,260*
Donation from RSDD 2016 Property Trust	-	**-**	*6,511,468*
Grants	82,822	**82,822**	-

3. Income from charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Pupil fee income	3,390,699	-	**3,390,699**	*3,178,625*
Grants	-	305,686	**305,686**	*372,172*
Government grants	949,710	147,518	**1,097,228**	*1,183,059*
Total 2023	4,340,409	453,204	**4,793,613**	*4,733,856*
Total 2022	*4,470,277*	*263,579*	*4,733,856*	

Government grants received support the provision of education to pupils.

4. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Investment management fees	16,449	**16,449**	-

5. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	*Total 2022 £*
Staffing costs	3,372,889	76,542	**3,449,431**	*3,165,522*
Education and pupil support costs	362,293	-	**362,293**	*374,210*
Campus and property costs	762,984	254,447	**1,017,431**	*821,612*
Administration costs	275,170	-	**275,170**	*235,977*
Governance costs	81,835	-	**81,835**	*56,800*
	4,855,171	330,989	**5,186,160**	*4,654,121*
Total 2022	*4,393,097*	*261,024*	*4,654,121*	

Summary by expenditure type

	Staff costs 2023 £	Depreciation 2023 £	Other costs 2023 £	Total 2023 £	*Total 2022 £*
Staffing costs	3,368,061	-	81,370	**3,449,431**	*3,165,522*
Education and pupil support costs	-	-	362,293	**362,293**	*374,210*
Campus and property costs	-	144,402	873,029	**1,017,431**	*821,612*
Administration costs	-	-	275,170	**275,170**	*235,977*
Governance costs	-	-	81,835	**81,835**	*56,800*
	3,368,061	144,402	1,673,697	**5,186,160**	*4,654,121*
Total 2022	*3,065,689*	*140,671*	*1,447,761*	*4,654,121*	

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

6. Auditors' remuneration

	2023 £	2022 £
Auditors' remuneration	**9,975**	*9,100*
Fees payable to the Charity's auditor in respect of:		
Non-audit services	**8,025**	*6,900*

7. Staff costs

	2023 £	2022 £
Wages and salaries	**2,825,372**	*2,568,402*
Social security costs	**248,373**	*223,839*
Other pension costs	**294,316**	*273,448*
	3,368,061	*3,065,689*

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

	2023	2022
Academic	**27**	*26*
Residential care	**9**	*12*
Learning support	**46**	*45*
Corporate & technical services	**29**	*29*
	111	*112*

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

	2023 No.	2022 No.
In the band £60,001 - £70,000	**1**	-
In the band £80,001 - £90,000	**1**	*1*

Key management personnel during the year comprised the Senior Leadership Team who received total remuneration and benefits of £305,383 (2022 - £218,377).

8. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2022 - £NIL)*.

8. Trustees' remuneration and expenses (continued)

During the year ended 31 August 2023, expenses totalling £NIL for mileage were reimbursed or paid directly to Trustee *(2022 - £54 to 1 Trustee)*.

9. Tangible fixed assets

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Total £
Cost				
At 1 September 2022	**6,100,000**	**58,265**	**309,209**	**6,467,474**
At 31 August 2023	**6,100,000**	**58,265**	**309,209**	**6,467,474**
Depreciation				
At 1 September 2022	**232,985**	**58,265**	**264,833**	**556,083**
Charge for the year	**122,000**	**-**	**22,400**	**144,400**
At 31 August 2023	**354,985**	**58,265**	**287,233**	**700,483**
Net book value				
At 31 August 2023	**5,745,015**	**-**	**21,976**	**5,766,991**
At 31 August 2022	*5,867,015*	*-*	*44,376*	*5,911,391*

10. Fixed asset investments

	Listed investments £
Valuation	
At 1 September 2022	**2,460,750**
Additions	**145,706**
Disposals	**(149,838)**
Revaluations	**109,806**
At 31 August 2023	**2,566,424**

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

11. Debtors

	2023 £	2022 £
Trade debtors	**138,234**	*43,094*
Prepayments and accrued income	**91,805**	*81,479*
	230,039	*124,573*

12. Current asset investments

	2023 £	2022 £
Cash on deposit	**151,427**	*51,224*

13. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	**112,594**	*295,187*
Other taxation and social security	**55,262**	*67,842*
Other creditors	**26,109**	*13,340*
Accruals and deferred income	**193,658**	*159,139*
	387,623	*535,508*

	2023 £	2022 £
Deferred income at 1 September 2022	**117,051**	*184,216*
Resources deferred during the year	**116,556**	*117,051*
Amounts released from previous periods	**(117,051)**	*(184,216)*
Deferred income as at 31 August 2022	**116,556**	*117,051*

Deferred income includes fees charged for pupils of £19,199, ESFA grant funding totaling £94,765 and other income of £2,671.

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

14. Statement of funds

Statement of funds - current year

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
Designated funds						
Children's Fund	**4,307**	**-**	**(93)**	**-**	**-**	**4,214**
Fundraising	**5,000**	**12,471**	**(5,775)**	**-**	**-**	**11,696**
Tuck Shop	**657**	**700**	**(1,357)**	**-**	**-**	**-**
Campus enhancement	**2,460,750**	**-**	**-**	**105,674**	**-**	**2,566,424**
	2,470,714	**13,171**	**(7,225)**	**105,674**	**-**	**2,582,334**
General funds						
General funds	**6,060,366**	**4,572,900**	**(4,864,395)**	**39,010**	**12,965**	**5,820,846**
Total Unrestricted funds	**8,531,080**	**4,586,071**	**(4,871,620)**	**144,684**	**12,965**	**8,403,180**
Restricted funds						
Greggs	**692**	**970**	**(2,163)**	**501**	**-**	**-**
Devolved Capital Grant	**4,690**	**29,105**	**(33,347)**	**-**	**-**	**448**
NMSS Maintenance Grant	**-**	**116,757**	**(116,757)**	**-**	**-**	**-**
Pupil Premium Receipts	**-**	**95,366**	**(95,366)**	**-**	**-**	**-**
Sports Premium Grant	**-**	**16,220**	**(15,959)**	**-**	**-**	**261**
Roe Memorial	**34,687**	**-**	**-**	**-**	**-**	**34,687**
European Visits Fund	**13,941**	**2,100**	**(9,180)**	**-**	**-**	**6,861**
Minibus Fund	**-**	**1,450**	**-**	**-**	**-**	**1,450**

14. Statement of funds (continued)

Statement of funds - current year (continued)

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
DCEP Legacy Theatre	**-**	**2,500**	**-**	**-**	**-**	**2,500**
Moscow Bilingual	**1,650**	**-**	**-**	**-**	**-**	**1,650**
Sponsorship 5 aside	**5,430**	**-**	**(5,430)**	**-**	**-**	**-**
Tutoring Grant	**-**	**35,479**	**(35,479)**	**-**	**-**	**-**
Free School Meals	**-**	**739**	**-**	**(739)**	**-**	**-**
Deaf Heritage	**8,205**	**-**	**(10,065)**	**1,860**	**-**	**-**
Bursary 20/21	**311**	**-**	**(311)**	**-**	**-**	**-**
Foundation Derbyshire	**1,421**	**-**	**(720)**	**-**	**-**	**701**
Teachers Pay Grant	**-**	**147,518**	**-**	**(147,518)**	**-**	**-**
Zochonis Trust	**-**	**5,000**	**(6,212)**	**1,212**	**-**	**-**
	71,027	**453,204**	**(330,989)**	**(144,684)**	**-**	**48,558**
Total of funds	**8,602,107**	**5,039,275**	**(5,202,609)**	**-**	**12,965**	**8,451,738**

Statement of funds - prior year

	Balance at 1 September 2021 £	*Income £*	*Expenditure £*	*Transfers in/out £*	*Gains/ (Losses) £*	*Balance at 31 August 2022 £*
Unrestricted funds						
Designated funds						
Children's Fund	*4,389*	*-*	*(82)*	*-*	*-*	*4,307*
Fundraising	*-*	*6,845*	*(1,845)*	*-*	*-*	*5,000*
Tuck Shop	*426*	*1,158*	*(927)*	*-*	*-*	*657*
Campus enhancement	*-*	*-*	*-*	*2,613,826*	*(153,076)*	*2,460,750*

14. Statement of funds (continued)

Statement of funds - prior year (continued)

	Balance at 1 September 2021 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 31 August 2022* £
	4,815	*8,003*	*(2,854)*	*2,613,826*	*(153,076)*	*2,470,714*
General funds						
General funds	*1,516,157*	*11,225,271*	*(4,390,243)*	*(2,290,819)*	-	*6,060,366*
Total Unrestricted funds	*1,520,972*	*11,233,274*	*(4,393,097)*	*323,007*	*(153,076)*	*8,531,080*
Restricted funds						
Leasehold Building Funds	*329,844*	-	*(8,454)*	*(321,390)*	-	-
Greggs	*817*	*400*	*(525)*	-	-	*692*
Devolved Capital Grant	*8,933*	*9,518*	*(13,761)*	-	-	*4,690*
NMSS Maintenance Grant	-	*122,370*	*(122,370)*	-	-	-
Pupil Premium Receipts	*1,000*	*74,225*	*(75,225)*	-	-	-
Sports Premium Grant	*1,105*	*16,250*	*(17,355)*	-	-	-
Roe Memorial	*34,687*	-	-	-	-	*34,687*
European Visits Fund	*7,873*	*6,142*	*(74)*	-	-	*13,941*
Moscow Bilingual	*1,650*	-	-	-	-	*1,650*
Sponsorship 5 aside	*5,430*	-	-	-	-	*5,430*
Tutoring Grant	-	*17,449*	*(17,449)*	-	-	-
Free School Meals	-	*1,617*	-	*(1,617)*	-	-
Deaf Heritage	-	*9,825*	*(1,620)*	-	-	*8,205*

14. Statement of funds (continued)

Statement of funds - prior year (continued)

	Balance at 1 September 2021 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 31 August 2022* £
Bursary 20/21	*-*	*3,418*	*(3,107)*	*-*	*-*	*311*
Foundation Derbyshire	*-*	*1,618*	*(197)*	*-*	*-*	*1,421*
Teachers Pay Grant	*140*	*747*	*(887)*	*-*	*-*	*-*
	391,479	*263,579*	*(261,024)*	*(323,007)*	*-*	*71,027*
Total of funds	*1,912,451*	*11,496,853*	*(4,654,121)*	*-*	*(153,076)*	*8,602,107*

Transfers between funds
The transfer into designated funds relates to investment movements so that the carry forward balance reflects available funds at the balance sheet date..

The Teachers Pay Grant transfer relates to the expenditure incurred by the entity on salaries and pensions, which has been allocated against restricted grant income received for the purpose of subsidising these costs.

The following are restricted and designated funds identified in the statement of funds noted above.

The designated Children's Fund arises from individual unrestricted donations received by the charitable company that are used in the support of pupils in situations of hardship and for the provision of items for residential pupils not normally funded through local authority fees.

The designated Campus enhancement fund represents amounts held as long-term investments that may be utilised towards improvements of the school site, as earmarked in the future plan for campus enhancement.

The Leasehold buildings fund represents the grant funding received towards the cost of two campus buildings (the Beddoes Science Lab and the Karten Building) less apportioned accumulated depreciation to date. During the year ended 31 August 2016 the cost of the Karten Building was transferred to the charitable company from Derby College for the Deaf People together with the remaining balance of associated restricted funding and liabilities. The balance was transferred to unrestricted funds on the transfer of the freehold from RSDD 2016 Property Trust.

The closing balance on the DfE Devolved Capital Grant represents the cost of qualifying additions to buildings and equipment less depreciation charges to date.

The NMSS Maintenance Grant is received from the DfE as a contribution towards the upkeep of the premises on non-maintained special schools.

Pupil Premium funding is received from local authorities to be applied towards the educational benefit of named disadvantaged learners.

The Sport Premium Fund is the unexpired portion of an ESFA Grant received for the benefit of sporting activities in the school's Primary Department.

The balance of the European Educational Visits Fund is the unused portion of British Council funding for European pupil exchange visits, carried forward to future.

The Free School Meals Grant has been used to mitigate the cost of providing food for appropriately aged pupils in the school's Primary Department.

The Bursary Fund is received from the ESFA to assist needy Post 16 learners with their course expenses and is distributed at the school's discretion.

The Roe Memorial Fund supports the welfare, social and recreational needs of adult deaf people.

The Moscow Bilingual fund supports families of deaf children to develop sign language skills.

The Sponsorship five-a-side Fund is the provision of five-a-side facilities and tutoring for the community.

The Foundation Derbyshire Fund is the provision of school wide mental health initiatives and workshops.

The Duke of Edinburgh's Award Sylvia Waddilove Foundation Fund is to support children and young people in gaining their Duke of Edinburgh's medals through the provision of outdoor equipment and expedition costs.

The Derby's Cultural Education Partnership (DCEP) fund will provide extra curricular opportunities and experiences in performing arts to residential children and young people.

The Minibus Fund was set up following the unexpected death of a former pupil and husband of a member of staff. The efforts of the wider deaf community have resulted in the purchase of a new minibus to be received in the summer term of 2024.

15. Summary of funds

Summary of funds - current year

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Designated funds	**2,470,714**	**13,171**	**(7,225)**	**105,674**	**-**	**2,582,334**
General funds	**6,060,366**	**4,572,900**	**(4,864,395)**	**39,010**	**12,965**	**5,820,846**
Restricted funds	**71,027**	**453,204**	**(330,989)**	**(144,684)**	**-**	**48,558**
	8,602,107	**5,039,275**	**(5,202,609)**	**-**	**12,965**	**8,451,738**

15. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 September 2021 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 31 August 2022* £
Designated funds	*4,815*	*8,003*	*(2,854)*	*2,613,826*	*(153,076)*	*2,470,714*
General funds	*1,516,157*	*11,225,271*	*(4,390,243)*	*(2,290,819)*	-	*6,060,366*
Restricted funds	*391,479*	*263,579*	*(261,024)*	*(323,007)*	-	*71,027*
	1,912,451	*11,496,853*	*(4,654,121)*	-	*(153,076)*	*8,602,107*

16. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	**Restricted funds 2023** £	**Total funds 2023** £
Tangible fixed assets	5,766,991	-	**5,766,991**
Fixed asset investments	2,566,424	-	**2,566,424**
Current assets	457,388	48,558	**505,946**
Creditors due within one year	(387,623)	-	**(387,623)**
Total	8,403,180	48,558	**8,451,738**

16. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	*Restricted funds 2022 £*	*Total funds 2022 £*
Tangible fixed assets	*5,911,391*	*-*	*5,911,391*
Fixed asset investments	*2,460,750*	*-*	*2,460,750*
Current assets	*694,447*	*71,027*	*765,474*
Creditors due within one year	*(535,508)*	*-*	*(535,508)*
Total	*8,531,080*	*71,027*	*8,602,107*

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

	2023 £	*2022 £*
Net income/expenditure for the year (as per Statement of Financial Activities)	**(150,369)**	*6,689,656*
Adjustments for:		
Depreciation charges	**144,400**	*144,401*
Gains on investments	**(109,806)**	*(150,717)*
Dividends, interests and rents from investments	**(30,635)**	*(13,655)*
Profit on the sale of fixed assets	**-**	*(520)*
Movement in debtors	**(105,466)**	*30,828*
Movement in creditors	**(147,885)**	*155,932*
Donation of connected charity net assets	**-**	*(6,511,468)*
Net cash provided by/(used in) operating activities	**(399,761)**	*344,457*

18. Analysis of cash and cash equivalents

	2023 £	*2022 £*
Cash in hand	**124,480**	*589,677*
Notice deposits (less than 3 months)	**151,427**	*51,224*
Total cash and cash equivalents	**275,907**	*640,901*

19. Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	**589,677**	**(465,197)**	**124,480**
Cash equivalents	**51,224**	**100,203**	**151,427**
	640,901	**(364,994)**	**275,907**

20. Pension commitments

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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

The pension charge for the year includes contributions payable to the TPS of £234,406 (2022 - £217,927). At the year-end £26,110 (2022 - £12,980) was accrued in respect of contributions to this scheme. The Charity also runs a scheme for its non-teaching staff under which defined contributions are paid into a group personal pension arrangement. The cost for the year represents the School's contributions to that Scheme of £59,910 (2022 - £55,521).

VALUATION OF THE TEACHERS' PENSION SCHEME

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

20. Pension commitments (continued)

valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

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

The TPS valuation for 2016 determined an employer rate of 23.68%, which was payable from 1 September 2019. The next valuation result is due to be implemented from 1 April 2024.

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

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

21. Related party transactions

The Charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Charity at 31 August 2023.

22. Controlling party

The Trustees consider there to be no ultimate controlling party.

ROYAL SCHOOL FOR THE DEAF DERBY

England & Wales - Charity number 1062507

Accounts

bates weston
CHARTERED ACCOUNTANTS & BUSINESS ADVISORS

THE MILLS, CANAL STREET, DERBY DE1 2RJ
T: 01332 365855 F: 01332 291294
E: ENQUIRIES@BATESWESTON.CO.UK
W: WWW.BATESWESTON.CO.UK

Mrs H Radford
Royal School for the Deaf Derby
Mrs Helen Radford
Company Secretary
Ashbourne Road
Derby
Derbyshire
DE22 3BH

WT\R\R333\AUDIT.46

30 January 2023

Dear Helen

Royal School for the Deaf Derby
Financial Statements for the Period Ended 31 August 2022

The Financial Statements have been completed following our meeting and include all the final adjustments as we discussed but if there are any further points requiring clarification please do not hesitate to contact me.

The documents required to be formally signed and dated are detailed in the table below and follow on from this letter. By e-signing this combined document through the portal, you are confirming your acceptance, approval and formal sign off for each of the following individual documents without exception:

Document
Accounts for board approval
Management Report of the Auditors Incorporating the Management letter and Letter of Representation
Corporation Tax return CT600

Post Balance Sheet and Post Audit Information

The directors and the auditors are required to consider, and take account of if applicable, all events up to the date of signing of the financial statements and auditors' report respectively that may need reflecting in the financial statements. Accordingly, under ISA 560 Bates Weston Audit Ltd require sight of the latest management accounts and also minutes or correspondence that may be relevant to our audit.

Bates Weston LLP is a Limited Liability Partnership. Registered in England and Wales OC361828. Bates Weston is the trading name of Bates Weston LLP.
Registered Office: The Mills, Canal Street, Derby DE1 2RJ. A full list of members can be found at the Registered Office.
Regulated for a range of investment business activities by the Institute of Chartered Accountants in England and Wales.

Mrs H Radford
Royal School for the Deaf Derby

30 January 2023

Finally it is now appropriate to bring our charges up to date and accordingly I send our invoices for your kind attention.

We regret that final certified accounts cannot be released or filed at Companies House until Bates Weston Audit Ltd have received all the signed documentation including such post balance sheet information they consider adequate for our audit opinion.

Delay in returning all the documents above may involve extra audit work and consequently further fees.

Yours sincerely



Wayne Thomas
For and on behalf of
Bates Weston LLP

Encs

Registered number: 03367515
Charity number: 1062507

ROYAL SCHOOL FOR THE DEAF DERBY

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

ROYAL SCHOOL FOR THE DEAF DERBY
(A Company Limited by Guarantee)

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ROYAL SCHOOL FOR THE DEAF DERBY

(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2022

Trustees	Mr D C du Celliee Muller Mr J H Richardson (resigned 16 September 2021) Mr J A B Ottewell Mr D E Bulger Mr C Crowley Mr M I Tomalin (appointed 1 September 2022)
Company registered number	03367515
Charity registered number	1062507
Registered office	180 Ashbourne Road Derby DE22 3BH
Company secretary	Miss H N Radford
Independent auditors	Bates Weston Audit Ltd Statutory Auditors Chartered Accountants The Mills Canal Street Derby DE1 2RJ
Bankers	HSBC Bank Plc 1 St Peter's Street Derby DE1 2AE

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees present their annual report together with the audited financial statements for the year 1 September 2021 to 31 August 2022. The Trustees confirm that the Annual Report and financial statements of the company comply with current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

OBJECTIVES AND ACTIVITIES

Policies and objectives

The main objective of the charitable company is to promote the relief of children and young people who are deaf or whose hearing or speech is impaired, by furthering their education.

Strategies for achieving objectives

Accordingly, the charitable company is dedicated to the operation of an effective special school for deaf children and young people.

Activities for achieving objectives

Curriculum design which places the progress and experiences of children at the heart of everyday practice.

A clear vision for children and young people to:

- Have confidence in developing their own deaf identity and their sense of belonging;
- Feel safe, happy and cared for in an environment where all children are listened to, can express their views and are understood whatever their preferred communication;
- Be challenged to achieve their best through excellent teaching, a comprehensive curriculum and a wide variety of experiences from Early Years to 16 Plus;
- Work in an environment that encourages lifelong learning, and equips children and young people with the tools and skills to achieve;
- Be tolerant and inclusive, so all children and young people are able to build effective relationships based on empathy, friendship and respect;
- Have access to excellent communication support.

MAIN ACTIVITIES UNDERTAKEN TO FURTHER THE CHARITY'S PURPOSES FOR THE PUBLIC BENEFIT

The trustees confirm that they have paid due regard to the Charity Commission's guidance on public benefit, including the guidance contained in the document 'Public Benefit: Running a Charity (PB2)'.

ACHIEVEMENTS AND PERFORMANCE

Review of activities

The School continues to work towards its ambition to be the best outstanding provider of education and care to deaf children and young people. Maintaining an outstanding care provision, outstanding financial health rating and achieving an outstanding education provision are the next milestones.

A number of restricted and designated funds continue to make significant contributions to ensure the health, wellbeing and progress of children and young people does not falter. Pupil Premium, Recovery Premium, Covid Catch-up and School Led Tutoring grants benefited children and young people, particularly those at relative disadvantage. Each learner received targeted support including one: one booster sessions delivered by subject specialist Teachers of the Deaf, access to a range of therapies to build emotional resilience, highly specialist

speech and language therapy. The quality of the team around children and young people continues to drive educational successes and financial sustainability.

Strategies to improve the quality of provision continue to be research led. Published research from the National Deaf Children's Society consolidates the school's approach to teaching, learning and development, bucking the trend in what is now widely recognised as an unacceptable gap in the achievements of deaf learners compared to their non-deaf peers. Robust stewardship of funds ensure there is always an effective teacher in front of every child and an in-house team of highly specialist experts at hand. Data tells us that all young people leave RSD Derby with the know-how and know-what to enjoy life beyond school. For the fourth year in a row every young person that left took next steps into further education, employment or training.

At the end of this financial year the five year big repair and renew plan is near complete. Roofs fixed and water tight, ICT infrastructure down, interactive smart boards up, Library created, Early Years refurbished, fire system installed and effective. Long term improvements led to fewer ongoing maintenance costs across the campus freeing up valuable resources to proactively explore items on our whole school wish list such as new minibuses, large scale redecoration, refurbishments and removals. Exciting plans to modernise the campus are afoot, read more about them under future activities.

Resource directed to exceeding our commitment to the pledges in the BSL Charter paid off. In collaboration with parents and carers we secured grants to provide Deaf Awareness and British Sign Language to families of deaf children. With the help of our in-house British Sign Language Lead and team we raised the bar on the level of BSL we expect child contact staff to have and initiated Level 6 progression routes. At the time of writing this report over 75% of child contact staff are working at Level 3 and above. In the year staff, children and young people completed 183 formally assessed and accredited exams from Level 1 – 6, 98% achieved leaving the 75% national average pass rate way behind.

Royal School for the Deaf is undoubtedly a school with provenance, rightly proud of its story. This year we welcomed the wider Deaf community back on campus with a series of coffee mornings to celebrate our heritage. Stories unfolded, experiences were shared and what we saw made us humbler, braver, bolder and more ambitious for our futures.

FINANCIAL REVIEW

Trustees continue to celebrate the outstanding financial health of the school endorsed by key funding partners. Reserves targets are met in full. This affords further scope and independence to the governing body, senior leadership team, children and young people and wider stakeholders to have their say about longer term aspirations for the school.

Last year trustees wrote about the RSDD 2016 Property Trust merging into Royal School for the Deaf Derby. All assets have now moved across. Value for money is created by showing what we spend money on is of direct benefit to children and young people. A designated fund is now in place to make clear the intent to use funds above the agreed level of reserves to the maximum advantage of beneficiaries. Namely, to realise the wishes of children and young people for a contemporary, earth-friendly campus to live and learn in.

Financial sustainability and success continue to be driven by robust stewardship of funds, an increasingly qualified, competent and confident staff team, effective structure and governance. A fair fee structure underpinned by a sound matrix of need demonstrates value for money placement plans. Substantial campus improvements continue at no cost to the exchequer. Trust and confidence in the school continues to grow with an increasing number of local authority partners. Prospective pupil visits and placement offers are busy.

Fee income and staff expenditure remain the two key financial indicators across the sector. Keeping each in check is an ongoing challenge we are determined to rise to. A healthy surplus is apparent at the financial year end, a substantial amount due to an unanticipated legacy. Ongoing teacher pay and pension grants offset anticipated payroll and salary costs. That said, trustees are mindful of diminishing grants to employment costs

and maintain a keen eye on balancing income and expenditure through timely, accurate, independently scrutinised management reporting.

Once again the budget included a staffing contingency fund to ensure any, if any, unforeseeable costs associated with the pandemic or other emergencies did not detract from resources available to teaching and learning and care. Similarly, a contingency emergency health and safety fund buffered the cost of adaptations to the built environment together with child friendly cleaning products and resources.

As an educational charity the school is unable to reclaim VAT input tax on costs as we are exempt for tax purposes. We pay tax as an employer through the national insurance contributions we make.

GOING CONCERN

After making appropriate enquiries, the trustees reasonably expect the Charity has sufficient resources to continue in operational existence for the foreseeable future. For this reason they continue 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 Accounting Policies.

PRINCIPAL FUNDING

Pupil fees received from the Education and Skills Funding Agency and Local Authorities represent a part of incoming resources. In the year to 31 August 2022 this amounted to 37% of total incoming resources. The largest porportion of income in the period was a donation from RSDD 2016 Property Trust.

RESERVES AND INVESTMENT POLICIES

The unrestricted funds shown on the balance sheet at the year end represent the free reserves of the charitable company. Trustees are pleased to see continued growth in the free reserves this year. Current reserves enable the School to respond independently to material fluctuations in its operating commitments.

Last year the school achieved its target £0.9 - £1.3m of readily realisable reserves. Total reserves are £8,602,107 of which freehold property is £5,867,015. Of the remaining reserves, £71,027 relates to restricted funds and £2,460,750 has been designated to help realise the aspirations of children and young people for a contemporary, earth-friendly campus to live and learn in.

On 19 October 2021 the RSDD 2016 Property Trust merged with the RSD Derby School Trust adding significant resources. At the time of writing this report all assets are transferred. Synergy between the trusts was obvious from their outset. Both have strong governance, robust stewardship of funds, common purposes. Trustees are looking forward discussing long term aspirations for the future of Royal School for the Deaf Derby with children, young people, their families, staff and other stakeholders.

Trustees wish to take this opportunity to thank their fellow trustees of the RSDD 2016 Property Trust namely, Mr James Haddon Richardson and Mr Antony Robert Eley for their unwavering support and commitment to the school.

Trustees follow a policy of maintaining the investment of the charity in readily realisable, low risk cash products and investments are held in accordance with the trustees' powers. Investment & reserves policies are reviewed annually in conjunction with the appointed investment managers.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The charitable company is a company limited by guarantee, governed by its Memorandum and Articles of

Association and a Board of Governors. The Governors operate subject to a Scheme of Delegation approved by Trustees.

The charitable company operates Royal School for the Deaf Derby, a non maintained special school approved for the education of deaf pupils aged 3 to 19.

Method of appointment or election of Trustees

The trustees of the charitable company constitute directors for Companies Act purposes. One third of trustees retire by rotation annually and may also be reappointed. The charitable company may otherwise by ordinary resolution appoint a trustee to either fill a casual vacancy or as an additional trustee. Appointment of additional trustees is subject to the unanimous approval of existing trustees who may seek out or advertise for additions to their number in order to enhance the skills and diversity of their Board.

The board of governors takes a strategic view of the school's policies and objectives. Progress and achievement in key functional and operational areas are subject to more detailed monitoring and evaluation by governors' committees that meet at least once per academic term. Discrete committees meet in addition to full board meetings and have responsibilities under the following headings: Resources (including Finance, Human Resources, Premises and Health & Safety) Pupil Wellbeing & Attainment

In addition to governor representation at these meetings, the chair of the governing body is invited to attend all trustee meetings. As well as general responsibilities, each governor is expected to have or adopt an area of special interest relevant to the school's operation and new governor recruitment is focused on the specialisms needed. The complement of the governing body is subject to annual ratification by trustees. The governors may co opt additional members to enhance any of the committee's capabilities. New governors benefit from an induction process, are encouraged to access training and support through the Derby City governor programme and development sessions provided by the School's Improvement Officer tailored to the Governing Body's strategic plans and the regulatory framework.

Organisational structure and decision making

Responsibility for the day to day organisation, management and control of the school lies with its executive, the senior leadership team (SLT) led by the Headteacher and made up of a Deputy Headteacher Achievement, Deputy Head Care & Guidance and an Assistant Headteacher Early Years Foundation Stage/Primary. Staffing budgets are devolved to members of the SLT as set out in their role specifications. The Headteacher is a member of the SLT and has overall responsibility for managing the team and the running of the school. The performance management of the Headteacher is conducted by a specialist consultant together with the chair of the governing body. The performance management of other members of the leadership team is the responsibility of the Headteacher. Pay for members of the senior leadership team has been set on the advice of an external consultant, having reference to the School Teachers' Pay and Conditions Document England & Wales. The pay of teaching staff is set by reference to the same Document and the pay of non teaching staff ordinarily but without precedent determined by reference to the Pay Scales and Allowances of the National Joint Council for Local Government Services together with accepted practice in the sector. In all cases pay is tied to performance through performance management activities.

RISK MANAGEMENT

Governors and Trustees review the risks facing the school by taking on the role of critical friends, monitoring the quality of teaching and learning, school self-assessment and development plans, pupil attainment and wellbeing, safeguarding, income and expenditure, movements in restricted funds, cash flow forecasts, key financial indicators, annual budgets. An at a glance overview is provided to trustees via a balanced scorecard. It gives a comprehensive overview of performance across all key functions identified in the Scheme of Delegation to determine levels of autonomy in decision making structures. Individual governors are assigned to scrutinise and report on particular operational risk areas through the Committees listed above. At present Trustees delegate the

maximum level of autonomy provided for in the Scheme of Delegation adopting an "eyes on - hands off" approach.

Health and Safety issues are a permanent feature of the Resources Committee Agenda. The declaration of any conflicts of interest is required before the start of all Trustee, Governor and Committee meetings.

Alleged or suspected material safeguarding issues are a rolling agenda item at all trustee and governing body meetings and initially reviewed in detail by the Pupil Wellbeing and Attainment Committee. There is a safeguarding team comprised of qualified and competent members of school staff led by the Deputy Head Care & Guidance who is the Designated Safeguarding Lead line managed by the Headteacher. Safeguarding policy and practice is scrutinised by a dedicated safeguarding governor. Governors ensure that one of their number always acts as Safeguarding Governor and receives appropriate training.

Long term financial health is intimately tied to the maintenance and development of pupil numbers at suitable fee levels. The Headteacher and Finance Committee are required to pay particular attention to this need.

The school is a member of the National Association of Special Schools, a body representing the interests of non maintained special schools. It also works closely with Derby City Council in addressing issues of mutual interest in the arena of the provision and development of special education for deaf learners.

PLANS FOR FUTURE PERIODS

Future developments

Projects to enhance the experiences of children and young people and add value for money to placement fees continue. The campus is refreshed and ready for the future. Trustee focus now turns to bigger and bolder projects. Following the merge of the RSDD 2016 Property Trust funds above the agreed level of reserves agreed are earmarked for new capital building projects to replace outdated inefficient premises and bring the campus up-to-date. Architects are briefed, contractors invited to tender. The wishes of children and young people for a contemporary and earth friendly campus to live and learn in take shape.

Trustees welcome the focus of His Majesty's Government recently published SEND Review: Right support, Right time, Right place. With an expert, in-house multi-disciplinary team of specialists including over 14 Primary, Post 16 and Secondary subject specialist teachers of the deaf directly delivering the national curriculum, rejuvenated campus facilities including Early Years and a day and residential provision for learners aged 3 – 19, RSD Derby has the right support, in the right place at the right time for deaf children and young people at any key stage in their life. Holding the public purse must be a difficult task at the moment - RSD Derby is poised to help. Messy play for parents and their pre-school age children grows in popularity placing the school in a unique position to properly explore extending effective early years support to a greater number of children and to offer them the very best start to life.

A review of our curriculum is underway to further embed the experiences of children and young people into the heart of everyday practice. A key aim is to audit intent, impact and implementation. We're determined to find out the answer to some challenging questions such as, can we plan our curriculum better so learners build knowledge of key concepts and the relationships between them over many years? How do we map the content, delivery and assessment of curricula across the school to ensure learners can build on subject knowledge across key stages? In summary, what is the best way to grow the knowledge learners should leave with from the day they start?

Despite a global pandemic, witnessing political instability, soaring inflation, energy and living costs, the school remains on a firm financial footing. Employment is secure, continuing professional development activities continue at pace. After spells of working and learning remotely and an increasing number of digital natives on roll we're keen to make the most of digital media and start with a whole school consultation on how to do it this year.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

The year ahead sees the appointment of a new Headteacher, Mr Paul Burrows. It is also the last year of the school's three year development plan. Over the year ahead we will not only be reflecting on many successes but looking forward to shaping new strategies to achieve our aspiration to be the best outstanding provider of education and care to deaf children and young people.

Trustees' responsibilities statement

The Trustees who are also directors of Royal School for the Deaf Derby for the purposes of a company limited by guarantee (not share capital and gain no personal benefit or remuneration for their work) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 the incoming resources and application of resources, including the income and expenditure, of the charitable company 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;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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 therefore taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

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

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

.....

Mr J A B Ottewell

Date: 23/02/2023

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROYAL SCHOOL FOR THE DEAF DERBY

Opinion

We have audited the financial statements of Royal School for the Deaf Derby (the 'charity') for the year ended 31 August 2022 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 and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

detailed below:

Based on our understanding of the charity and sector in which it operates, we considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. Audit procedures performed by the engagement team included:

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

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

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

Use of our report

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

Wayne Thomas ACA (Senior Statutory Auditor)
for and on behalf of
Bates Weston Audit Ltd
Statutory Auditors
Chartered Accountants
The Mills
Canal Street
Derby
DE1 2RJ

Date:

ROYAL SCHOOL FOR THE DEAF DERBY
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 AUGUST 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Income from:					
Donations and legacies	2	**6,742,728**	**-**	**6,742,728**	*16,370*
Charitable activities	3	**4,470,277**	**263,579**	**4,733,856**	*4,936,597*
Other income		**20,269**	**-**	**20,269**	*5,275*
Total income		**11,233,274**	**263,579**	**11,496,853**	*4,958,242*
Expenditure on:					
Charitable activities	4	**4,393,097**	**261,024**	**4,654,121**	*4,477,923*
Total expenditure		**4,393,097**	**261,024**	**4,654,121**	*4,477,923*
Net income before net losses on investments		**6,840,177**	**2,555**	**6,842,732**	*480,319*
Net losses on investments		**(153,076)**	**-**	**(153,076)**	-
Net income		**6,687,101**	**2,555**	**6,689,656**	*480,319*
Transfers between funds	13	**323,007**	**(323,007)**	**-**	-
Net movement in funds		**7,010,108**	**(320,452)**	**6,689,656**	*480,319*
Reconciliation of funds:					
Total funds brought forward		**1,520,972**	**391,479**	**1,912,451**	*1,432,132*
Net movement in funds		**7,010,108**	**(320,452)**	**6,689,656**	*480,319*
Total funds carried forward		**8,531,080**	**71,027**	**8,602,107**	*1,912,451*

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

The notes on pages 14 to 30 form part of these financial statements.

ROYAL SCHOOL FOR THE DEAF DERBY
(A Company Limited by Guarantee)
REGISTERED NUMBER: 03367515

BALANCE SHEET
AS AT 31 AUGUST 2022

	Note		2022 £		2021 £
Fixed assets					
Tangible assets	8		**5,911,391**		*564,987*
Investments	9		**2,460,750**		*1,254,712*
			8,372,141		*1,819,699*
Current assets					
Debtors	10	**124,573**		*155,401*	
Investments	11	**51,224**		*51,210*	
Cash at bank and in hand		**589,677**		*265,717*	
		765,474		*472,328*	
Creditors: amounts falling due within one year	12	**(535,508)**		*(379,576)*	
Net current assets			**229,966**		*92,752*
Total net assets			**8,602,107**		*1,912,451*
Charity funds					
Restricted funds	13		**71,027**		*391,479*
Unrestricted funds	13		**8,531,080**		*1,520,972*
Total funds			**8,602,107**		*1,912,451*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

J A B Ottewell

.....

Mr J A B Ottewell

Date: 23rd: Feb: 2023

The notes on pages 14 to 30 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash used in operating activities	16	**344,457**	*497,716*
Cash flows from investing activities			
Dividends, interests and rents from investments		**13,655**	-
Purchase of tangible fixed assets		**-**	*(23,994)*
Sale of tangible fixed assets		**520**	-
Purchase of investments		**(1,071,734)**	-
Proceeds from the disposal of investments		**16,413**	-
Classification transfer of brought forward cash investments		**(1,254,712)**	-
Net investments acquired from connected company		**1,020,663**	-
Net cash used in investing activities		**(1,275,195)**	**(23,994)**
Change in cash and cash equivalents in the year		**(930,738)**	**473,722**
Cash and cash equivalents at the beginning of the year		**1,571,639**	*1,097,917*
Cash and cash equivalents at the end of the year	17	**640,901**	*1,571,639*

The notes on pages 14 to 30 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Royal School for the Deaf Derby meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Company status

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

1.3 Income

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

For legacies, entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Charity, or the Charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Pupil fee income represents fees invoiced to Local Authorities for educational purposes supplied during the year and recognised in the period to which it relates, together with "core" pupil funding from the Educational and Skills Funding Agency, recognised when it is received.

The charitable company also receives grants for educational purposes resulting from initiatives by the Department for Education and Skills.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the school. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

1. Accounting policies (continued)

1.4 Expenditure

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

Expenditure on charitable activities includes the cost of education activities undertaken to further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

1.5 Taxation

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

1.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Leasehold property includes the cost of any building improvements to leased land.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- 50 years
Leasehold property	- 50 years
Motor vehicles	- 4 years
Fixtures and fittings	- 5 years

1.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

1. Accounting policies (continued)

1.8 Operating leases

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

1.9 Pensions

The School participates in a multi employer defined benefits pension scheme, "The Teachers' Pension Scheme (England and Wales)", for its teachers. As a result it is not possible or appropriate to identify the assets and liabilities of the Scheme which are attributable to the School. In accordance with Financial Reporting Standard 102 therefore, the Scheme is accounted for as a defined contribution scheme. The Scheme is managed by the Department of Education.

The charity operates a defined contributions arrangement for its non-teaching staff in terms of group personal pension plans.

Contributions to both schemes are charged in the Statement of financial activities (incorporating income and expenditure account) as they become payable in accordance with the rules of the Scheme.

1.10 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2. Income from donations and legacies

	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Donations	231,260	**231,260**	*16,370*
Donation from RSDD 2016 Property Trust	6,511,468	**6,511,468**	-

On 19 October 2021, the formal transfer as a going concern of the RSDD 2016 Property Trust into Royal School for the Deaf Derby was concluded. The criteria for merger accounting was not met and the net assets were transferred at their market value.

Market value of net assets transferred comprised the following:

	Unrestricted funds 2022 £	Total funds 2022 £
Freehold property	5,490,805	**5,490,805**
Investments	1,058,433	**1,058,433**
Amounts owed by connected charity	(37,770)	**(37,770)**
	6,511,468	**6,511,468**

3. Income from charitable activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Pupil fee income	3,178,625	-	**3,178,625**	*3,169,696*
Grants	108,593	263,579	**372,172**	*65,687*
Government grants	1,183,059	-	**1,183,059**	*1,701,214*
Total 2022	4,470,277	263,579	**4,733,856**	*4,936,597*
Total 2021	*4,608,617*	*327,980*	*4,936,597*	

Government grants received support the provision of education to pupils.

4. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	*Total 2021 £*
Staffing costs	3,124,673	40,849	**3,165,522**	*3,093,530*
Education and pupil support costs	374,210	-	**374,210**	*372,166*
Campus and property costs	601,437	220,175	**821,612**	*770,636*
Administration costs	235,977	-	**235,977**	*189,799*
Governance costs	56,800	-	**56,800**	*51,792*
	4,393,097	261,024	**4,654,121**	*4,477,923*
Total 2021	*4,162,959*	*314,964*	*4,477,923*	

Summary by expenditure type

	Staff costs 2022 £	Depreciation 2022 £	Other costs 2022 £	Total 2022 £	*Total 2021 £*
Staffing costs	3,065,689	-	99,833	**3,165,522**	*3,093,530*
Education and pupil support costs	-	-	374,210	**374,210**	*372,166*
Campus and property costs	-	140,671	680,941	**821,612**	*770,636*
Administration costs	-	-	235,977	**235,977**	*189,799*
Governance costs	-	-	56,800	**56,800**	*51,792*
	3,065,689	140,671	1,447,761	**4,654,121**	*4,477,923*
Total 2021	*2,990,516*	*27,197*	*1,460,210*	*4,477,923*	

5. Auditors' remuneration

	2022 £	2021 £
Auditors' remuneration	**9,100**	*8,700*
Fees payable to the Charity's auditor in respect of:		
Non-audit services	**6,900**	*6,600*

6. Staff costs

	2022 £	2021 £
Wages and salaries	**2,568,402**	*2,499,772*
Social security costs	**223,839**	*213,544*
Other pension costs	**273,448**	*277,200*
	3,065,689	*2,990,516*

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

	2022	2021
Academic	**26**	*26*
Residential care	**12**	*11*
Learning support	**45**	*46*
Corporate & technical services	**29**	*29*
	112	*112*

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

	2022 No.	2021 No.
In the band £70,001 - £80,000	**-**	*1*
In the band £80,001 - £90,000	**1**	-

Key management personnel during the year comprised the Senior Leadership Team who received total remuneration and benefits of £218,377 (2021 - £221,557).

7. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2021 - £NIL)*.

During the year ended 31 August 2022, expenses totalling £54 for mileage were reimbursed or paid directly to 1 Trustee *(2021 - £NIL to Trustee)*.

8. Tangible fixed assets

	Freehold property £	Long-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 September 2021	-	609,195	79,149	1,562,873	2,251,217
Additions	5,490,805	-	-	-	5,490,805
Disposals	-	-	(20,884)	-	(20,884)
Transfers between classes	609,195	(609,195)	-	-	-
At 31 August 2022	6,100,000	-	58,265	1,562,873	7,721,138
Depreciation					
At 1 September 2021	-	110,985	79,149	1,496,096	1,686,230
Charge for the year	109,816	12,184	-	22,401	144,401
On disposals	-	-	(20,884)	-	(20,884)
Transfers between classes	123,169	(123,169)	-	-	-
At 31 August 2022	232,985	-	58,265	1,518,497	1,809,747
Net book value					
At 31 August 2022	5,867,015	-	-	44,376	5,911,391
At 31 August 2021	-	*498,210*	-	*66,777*	*564,987*

9. Fixed asset investments

	Listed investments £
Valuation	
At 1 September 2021	**1,254,712**
Additions	**1,071,734**
Disposals	**(16,413)**
Revaluations	**150,717**
At 31 August 2022	**2,460,750**

10. Debtors

	2022 £	*2021 £*
Trade debtors	**43,094**	*31,575*
Due from connected charity	**-**	*33,670*
Prepayments and accrued income	**81,479**	*90,156*
	124,573	*155,401*

11. Current asset investments

	2022 £	*2021 £*
Cash on deposit	**51,224**	*51,210*

12. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	**295,187**	*45,644*
Other taxation and social security	**67,842**	*48,266*
Other creditors	**13,340**	*20,548*
Accruals and deferred income	**159,139**	*265,118*
	535,508	*379,576*

	2022 £	2021 £
Deferred income at 1 September 2021	**184,216**	*161,709*
Resources deferred during the year	**117,051**	*184,216*
Amounts released from previous periods	**(184,216)**	*(161,709)*
Deferred income as at 31 August 2022	**117,051**	*184,216*

Deferred income includes fees charged for pupils of £23,505, ESFA grant funding totaling £90,945 and other income of £2,601.

13. Statement of funds

Statement of funds - current year

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
Designated funds						
Children's Fund	**4,389**	**-**	**(82)**	**-**	**-**	**4,307**
Fundraising	**-**	**6,845**	**(1,845)**	**-**	**-**	**5,000**
Tuck Shop	**426**	**1,158**	**(927)**	**-**	**-**	**657**
Campus enhancement	**-**	**-**	**-**	**2,613,826**	**(153,076)**	**2,460,750**
	4,815	**8,003**	**(2,854)**	**2,613,826**	**(153,076)**	**2,470,714**

13. **Statement of funds (continued)**

General funds						
General funds	1,516,157	11,225,271	(4,390,243)	(2,290,819)	-	6,060,366
Total Unrestricted funds	1,520,972	11,233,274	(4,393,097)	323,007	(153,076)	8,531,080
Restricted funds						
Leasehold Building Funds	329,844	-	(8,454)	(321,390)	-	-
Greggs	817	400	(525)	-	-	692
Devolved Capital Grant	8,933	9,518	(13,761)	-	-	4,690
NMSS Maintenance Grant	-	122,370	(122,370)	-	-	-
Pupil Premium Receipts	1,000	74,225	(75,225)	-	-	-
Sports Premium Grant	1,105	16,250	(17,355)	-	-	-
Roe Memorial	34,687	-	-	-	-	34,687
European Visits Fund	7,873	6,142	(74)	-	-	13,941
Moscow Bilingual	1,650	-	-	-	-	1,650
Sponsorship 5 aside	5,430	-	-	-	-	5,430
Tutoring Grant	-	17,449	(17,449)	-	-	-
Free School Meals	-	1,617	-	(1,617)	-	-
Deaf Heritage	-	9,825	(1,620)	-	-	8,205
Bursary 20/21	-	3,418	(3,107)	-	-	311
Foundation Derbyshire	-	1,618	(197)	-	-	1,421
Duke of Edinburgh	140	747	(887)	-	-	-
	391,479	263,579	(261,024)	(323,007)	-	71,027
Total of funds	1,912,451	11,496,853	(4,654,121)	-	(153,076)	8,602,107

13. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2021 £
Unrestricted funds					
Designated funds					
Children's Fund	5,016	-	(627)	-	4,389
Fundraising	2,375	10,350	(11,075)	(1,650)	-
Tuck Shop	326	784	(684)	-	426
	7,717	11,134	(12,386)	(1,650)	4,815
General funds					
General funds	1,029,641	4,619,128	(4,150,573)	17,961	1,516,157
Total Unrestricted funds	1,037,358	4,630,262	(4,162,959)	16,311	1,520,972
Restricted funds					
Leasehold Building Funds	338,298	-	(8,454)	-	329,844
Greggs	1,250	1,000	(1,433)	-	817
Devolved Capital Grant	22,332	21,527	(34,926)	-	8,933
NMSS Maintenance Grant	-	127,405	(127,405)	-	-
Pupil Premium Receipts	12,760	60,405	(72,165)	-	1,000
Sports Premium Grant	6,864	16,300	(5,859)	(16,200)	1,105
Greggs Hamper Fund	-	3,000	(3,000)	-	-
Roe Memorial	-	34,687	-	-	34,687
European Visits Fund	6,716	1,250	(93)	-	7,873
Careers Local	-	4,500	(4,500)	-	-
Covid Catch Up Funding	-	27,600	(27,600)	-	-
Moscow Bilingual	-	-	-	1,650	1,650
Sponsorship 5 aside	5,430	-	-	-	5,430
Free School Meals	-	1,761	-	(1,761)	-
Bursary 20/21	-	2,795	(2,795)	-	-
Foundation Derbyshire	1,124	-	(1,124)	-	-
Duke of Edinburgh	-	750	(610)	-	140

13. Statement of funds (continued)

Statement of funds - prior year (continued)

	Balance at 1 September 2020 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Balance at 31 August 2021* £
RSDD 2016 Property Trust	-	*25,000*	*(25,000)*	-	-
	394,774	*327,980*	*(314,964)*	*(16,311)*	*391,479*
Total of funds	*1,432,132*	*4,958,242*	*(4,477,923)*	-	*1,912,451*

The designated Children's Fund arises from individual unrestricted donations received by the charitable company that are used in the support of pupils in situations of hardship and for the provision of items for residential pupils not normally funded through local authority fees.

The designated Campus enhancement fund represents amounts held as long term investments that will be utilised towards improvements of the school site.

The Leasehold buildings fund represents the grant funding received towards the cost of two campus buildings (the Beddoes Science Lab and the Karten Building) less apportioned accumulated depreciation to date. During the year ended 31 August 2016 the cost of the Karten Building was transferred to the charitable company from Derby College for the Deaf People together with the remaining balance of associated restricted funding and liabilities. The balance was transferred to unrestricted funds on the transfer of the freehold from RSDD 2016 Property Trust.

The closing balance on the DfE Devolved Capital Grant represents the cost of qualifying additions to buildings and equipment less depreciation charges to date.

The NMSS Maintenance Grant is received from the DfE as a contribution towards the upkeep of the premises on non-maintained special schools.

Pupil Premium funding is received from local authorities to be applied towards the educational benefit of named disadvantaged learners.

The Sport Premium Fund is the unexpired portion of an ESFA Grant received for the benefit of sporting activities in the school's Primary Department.

The balance of the European Educational Visits Fund is the unused portion of British Council funding for European pupil exchange visits, carried forward to future.

The Free School Meals Grant has been used to mitigate the cost of providing food for appropriately aged pupils in the school's Primary Department.

The Bursary Fund is received from the ESFA to assist needy Post 16 learners with their course expenses and is distributed at the school's discretion.

The Roe Memorial Fund supports the welfare, social and recreational needs of adult deaf people.

The Moscow Bilingual fund supports families of deaf children to develop sign language skills.

The Sponsorship five-a-side Fund is the provision of five-a-side facilities and tutoring for the community.

The Foundation Derbyshire Fund is the provision of school wide mental health initiatives and workshops.

The Duke of Edinburgh's Award Sylvia Waddilove Foundation Fund is to support children and young people in gaining their Duke of Edinburgh's medals through the provision of outdoor equipment and expedition costs.

14. Summary of funds

Summary of funds - current year

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Designated funds	**4,815**	**8,003**	**(2,854)**	**2,613,826**	**(153,076)**	**2,470,714**
General funds	**1,516,157**	**11,225,271**	**(4,390,243)**	**(2,290,819)**	**-**	**6,060,366**
Restricted funds	**391,479**	**263,579**	**(261,024)**	**(323,007)**	**-**	**71,027**
	1,912,451	**11,496,853**	**(4,654,121)**	**-**	**(153,076)**	**8,602,107**

Summary of funds - prior year

	Balance at 1 September 2020 £	*Income £*	*Expenditure £*	*Transfers in/out £*	*Balance at 31 August 2021 £*
Designated funds	*7,717*	*11,134*	*(12,386)*	*(1,650)*	*4,815*
General funds	*1,029,641*	*4,619,128*	*(4,150,573)*	*17,961*	*1,516,157*
Restricted funds	*394,774*	*327,980*	*(314,964)*	*(16,311)*	*391,479*
	1,432,132	*4,958,242*	*(4,477,923)*	*-*	*1,912,451*

15. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	5,911,391	-	**5,911,391**
Fixed asset investments	2,460,750	-	**2,460,750**
Current assets	694,447	71,027	**765,474**
Creditors due within one year	(535,508)	-	**(535,508)**
Total	8,531,080	71,027	**8,602,107**

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	*Restricted funds 2021 £*	*Total funds 2021 £*
Tangible fixed assets	*226,210*	*338,777*	*564,987*
Fixed asset investments	*1,254,712*	-	*1,254,712*
Current assets	*404,714*	*67,614*	*472,328*
Creditors due within one year	*(364,664)*	*(14,912)*	*(379,576)*
Total	*1,520,972*	*391,479*	*1,912,451*

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

	2022 £	*2021* *£*
Net income for the year (as per Statement of Financial Activities)	**6,689,656**	*480,319*
Adjustments for:		
Depreciation charges	**144,401**	*30,928*
Gains on investments	**(150,717)**	-
Dividends, interests and rents from investments	**(13,655)**	-
Profit on the sale of fixed assets	**(520)**	-
Movement in debtors	**30,828**	*164,570*
Movement in creditors	**155,932**	*(153,101)*
Donation of connected charity net assets	**(6,511,468)**	-
Net cash provided by operating activities	**344,457**	*522,716*

17. Analysis of cash and cash equivalents

	2022 £	*2021* *£*
Cash in hand	**589,677**	*265,717*
Notice deposits (less than 3 months)	**51,224**	*1,305,922*
Total cash and cash equivalents	**640,901**	*1,571,639*

18. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	**265,717**	**323,960**	**589,677**
Cash equivalents	**51,210**	**14**	**51,224**
	316,927	**323,974**	**640,901**

19. Pension commitments

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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

The pension charge for the year includes contributions payable to the TPS of £217,927 (2021 - £221,910). At the year-end £12,980 (2021 - £20,206) was accrued in respect of contributions to this scheme. The Charity also runs a scheme for its non-teaching staff under which defined contributions are paid into a group personal pension arrangement. The cost for the year represents the School's contributions to that Scheme of £55,521 (2021 - £55,290).

VALUATION OF THE TEACHERS' PENSION SCHEME

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

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

The TPS valuation for 2016 determined an employer rate of 23.68%, which was payable from 1 September 2019. The next valuation result is due to be implemented from 1 April 2024.

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

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

20. Related party transactions

Mr D C du Celliee Muller and Mr J H Richardson were trustees of RSDD 2016 Property Trust. Its closure and the resultant transfer of net assets are described in note 2.

21. Controlling party

The Trustees consider there to be no ultimate controlling party.

bates weston
AUDIT

Royal School for the Deaf Derby

Management Report of the Auditors to the Board of Trustees

for the Year Ended 31 August 2022

bates weston
AUDIT

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INTRODUCTION

This report is part of the continuing relationship between the Charity and ourselves and is therefore not intended to cover every matter discussed during the course of the audit. For this reason, the report is intended for the sole use of the Charity. We do not accept responsibility to any officer acting in an individual capacity, and do not accept responsibility for any reliance that third parties may place on the report.

It should be noted that the primary objective of our audit is to express an opinion on the truth and fairness of the Charity's financial statements as a whole. An audit does not examine every operating activity and accounting procedure in the Charity, nor does it provide a substitute for management's responsibility to maintain adequate controls over the Charity's activities. Our work is not designed therefore to provide a comprehensive statement of all weaknesses or inefficiencies that may exist in the Charity's systems and working practices, or of all improvements that could be made.

Included in this report is a schedule of all adjusted and unadjusted misstatements noted during our work for your final approval.

We have also included a letter of management representations required in connection with our audit.

Please read this document carefully and confirm your approval by signing at page 15.

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AUDIT

1 REPORT TO THE MANAGEMENT

1.1 PURPOSE

The purpose of this Management Report is to provide the Trustees with constructive observations arising from the audit process. We have already communicated to you the notes of our discussions on the audit arrangements including, where different, communications to those persons charged with governance. We set out below details of any expected modifications to our audit report, details of any unadjusted misstatements in the financial statements (except any misstatements which are trivial), any material weaknesses in systems we have identified during the course of our audit work and our views about the quality of accounting practices and financial reporting procedures, and any other relevant and significant matters we are required to communicate.

Our procedures are carried out solely for the purpose of our audit of the financial statements. Our audit does not necessarily disclose every weakness or accounting practice and for this reason the matters referred to below may not be the only shortcomings which exist.

We take this opportunity to remind you that:

- the auditor is responsible for forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance;
- the audit of the financial statements does not relieve management or those charged with governance of their responsibilities;
- this report has been prepared for the sole use of the addressee;
- this report must not be disclosed to a third party without our written consent; and
- no responsibility is assumed by us to any other person who may choose to rely on this report for his or her own purposes.

1.2 ETHICAL SAFEGUARDS

As previously explained to you, ISAs require certain safeguards to be taken by our firm as set by the Auditing Practices Board. These are to ensure independence and objectivity insofar as the audit work to be carried out.

We are required to advise you of these safeguards which we consider to be sufficient to allow us to continue the appointment as auditor for the year and to sign-off this year's audit report.

Bates Weston LLP carry out non-audit services as set out in the respective signed engagement terms.

We have identified potential threats of providing non-audit services to our independence and objectivity as auditor. However, we are satisfied that adequate safeguards have been adopted to reduce these threats to an acceptable level.

We consider that your Charity has informed management who are capable of making independent management decisions and judgements based on information provided.

The non-audit services Bates Weston LLP provide as Accountants as part of the audit process are of a technical, mechanical or informative nature only. We will not in our capacity of Auditors, Accountants or Tax Advisors take any management decisions on your behalf nor will we initiate transactions, determine or change journal entries or classifications in the financial statements without your approval as management.

All adjustments made will be discussed with you and confirmed on schedules provided. Any opening balance adjustments provided by us must be checked by you to ensure that the nominal code suggested is in accordance with your coding structure and authorised.

The safeguard we consider sufficient is that the audit is carried out, supervised and controlled by staff who are not involved in this other work.

As a small company you are entitled to take advantage of the exemption from the application of this safeguard within the ethics guidelines PAASE. If this exemption is used the same staff may be involved in both audit and accounts work. Unless you indicate otherwise we assume you wish to take advantage for as long as it applies.

If you wish to discuss these issues further please do not hesitate to contact Mr I Neal, Senior Partner.

1.3 CONFIRMATION OF OUR AUDIT INDEPENDENCE

We confirm that as of the date of this report, in our professional judgement, Bates Weston Audit Limited and Bates Weston LLP are independent within the meaning of the regulatory and professional requirements and the objectivity of the Senior Statutory Auditor and other audit staff is not impaired.

bates weston
AUDIT

1.4 EXPECTED MODIFICATIONS TO OUR REPORT

We do not expect to make any modifications to our audit report.

For your information, a draft of our proposed audit report is included within the full financial statements that are enclosed for the board's approval. However, our responsibilities with regard to the audit report extend up to the date on which it is physically signed and we will advise you of any changes to this position if necessary.

The report included within the financial statements is thus to be regarded as draft until it has been physically signed by the nominated Senior Statutory Auditor, our certified full report given to you and we have advised you of this. Unless we are advised to the contrary by you, we will retain the actual signed copy of the accounts by both the Trustees and Senior Statutory Auditor, on the Charity's behalf for safekeeping in electronic form.

1.5 UNADJUSTED MISSTATEMENTS DETECTED BY US

We have discussed with you the misstatements we identified in the financial statements but which you have declined to adjust. Section 2.2 at page 8 contains our audit schedule "N3.2 Proposed Audit Adjustments" that we have discussed with you.

The reason you gave us for not making the adjustment is on the grounds of immateriality individually and in aggregate and its effect on the financial statements.

The schedule does not include matters we believe to be trivial. We ask you sign page 15 as confirmation that the misstatements are to remain unadjusted.

1.6 ADJUSTMENTS ARISING FROM THE AUDIT

As we have pointed out we, as auditors, cannot initiate any transactions and all proposed journals and other adjustments whether they affect the profit and loss account or not must be approved by the Trustees.

We have discussed with you all these adjustments arising from the audit, whether they derived from our audit or accounts work or you requested specific adjustments be made. These are detailed in Section 2.1 at page 5 with our audit schedule "N3.1 Actual Audit Adjustments", which gives a full audit trail between your trial balance and the final accounts

1.7 POST BALANCE SHEET AND POST AUDIT INFORMATION

The Trustees and the auditors are required to consider and take account of events up to the date of their signing of the financial statements and auditors' report respectively that may need reflecting in the financial statements. Accordingly, under ISA 560 we require sight of the information requested on page 15 of this report.

We regret that final certified accounts cannot be released or filed at Companies House until we have received all the signed documentation including such post balance sheet information that we consider adequate for our audit opinion.

1.8 AUDIT APPROACH

Our general audit approach was determined by our assessment of the audit risk, both in terms of the potential misstatement in the financial statements and of the control environment in which the company operates.

To summarise our approach, we:

- updated our understanding of the business and its environment;
- reviewed the design and implementation of key internal financial control systems; and
- planned and performed an audit with professional scepticism recognising that circumstances may exist that cause the financial statements to be materially misstated.

Significant risks arise on most audits and are often derived from business risks that may result in a material misstatement, relate to unusual transactions that occur infrequently, or judgemental matters where measurement is uncertain. In areas where we identified the potential for significant risk, we extended our audit testing to include more detailed substantive work. Our work in other areas was proportionally less. The risks identified are set out at page 9.

We apply the concept of materiality both in planning and performing the audit, and in evaluating the effect of identified misstatements on the audit and of uncorrected misstatements. In general, misstatements, including omissions, are considered to be material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

bates weston
AUDIT

Judgments about materiality are made in the light of surrounding circumstances, and are affected by our perception of the financial information needs of users of the financial statements, and by the size or nature of a misstatement, or a combination of both. The materiality levels for our audit work we set at the planning stage were not modified.

1.9 QUALITATIVE ASPECTS OF ACCOUNTING PRACTICES AND FINANCIAL REPORTING

During the course of our audit, we consider the qualitative aspects of the financial reporting process on the relevance, reliability, comparability, understandability and materiality of the information provided by the financial statements. We are required to communicate these to you and, where different, those charged with governance including, in particular, items that have a significant impact and which have thus been highlighted as such.

The following are the significant and other main matters and observations we wish to draw your attention to, which were discussed and addressed during the audit:

- the appropriateness of accounting estimates and judgements in relation to repairs and renewals expensed rather than capitalised and the transfer of investments and property including the consistency and validity of assumptions, bias and degree of prudence reflected in the accounting records;
- the recognition of and associated disclosures for designated funds; and
- the transfer in value of net assets gifted from RSS 2016 Property Trust.

1.10 ACCOUNTING SYSTEM AND INTERNAL CONTROLS

During the course of our audit of the financial statements for the year, we examined the principal internal controls which the Trustees have established to enable them to ensure, as far as possible, the accuracy and reliability of the Charity's accounting records and to safeguard the Charity's assets.

Page 10 provides details of any observations and recommendations we have made, together with your responses to these issues as appropriate.

However, our review was limited and we cannot guarantee that all such weaknesses have been identified and brought to your attention that a specific investigation may uncover.

Finally, we take this opportunity of thanking your staff for the assistance offered to us during the course of our work. Their assistance and co-operation was much appreciated.

Bates Weston Audit Limited

31 January 2023

Contact details:

Wayne Thomas ACA
Senior Statutory Auditor

01332 365855
waynet@batesweston.co.uk

Bates Weston Audit Limited is registered to carry out audit work in the UK by the Institute of Chartered Accountants in England and Wales (ICAEW) C001364819

bates weston AUDIT

2 ADJUSTED AND UNADJUSTED MISSTATEMENTS

2.1 ACTUAL AUDIT ADJUSTMENTS

The following adjustments were processed on your instructions during the course of our audit:

Number	Date	Name	Account N	Reference	Debit	Credit	Net Income (Loss	Amount Chg	Recurrence	Misstatement
		Net Income (Loss) Before Adjustments					1,307,708.00			
1	31/08/2022	RESTRICTED FUNDS	3100	NI-3ACC	940.00					
1	31/08/2022	Restricted transfer out	3110	NI-3ACC	1,617.00					
1	31/08/2022	Restricted transfer in	3111	NI-3ACC						
1	31/08/2022	General transfer in	3220	NI-3ACC		-1,617.00				
1	31/08/2022	Restricted grants	4150	NI-3ACC		-263,579.00				
1	31/08/2022	Salaries & Payroll expenses - restricted	5010	NI-3ACC	40,849.00					
1	31/08/2022	Food	5600	NI-3ACC	1,617.00					
1	31/08/2022	Building depreciation - restricted	6030	NI-3ACC	12,695.00					
1	31/08/2022	Building repairs - restrictedA reclassA re	6060	NI-3ACC	207,480.00					
1	31/08/2022	Suspense	BW00	NI-3ACC		-2.00				
		Bring in restricted income and expenditure for year								
					265,198.00	-265,198.00	1,308,646.00	938.00		
3	31/08/2022	Building Repairs	6050			-21.00				
3	31/08/2022	Suspense	BW00		21.00					
		W/O suspense balance								
					21.00	-21.00	1,308,667.00	21.00		

bates weston AUDIT

2.1 ACTUAL AUDIT ADJUSTMENTS (CONTINUED)

Number	Date	Name	Account N	Reference	Debit	Credit	Net Income (Loss	Amount Chg	Recurrence	Misstatement
12	31/08/2022	Charitable Government Grants - General	4160			-152,015.00				
12	31/08/2022	Salaries & Payroll Expenses	5000		152,015.00					
		Gross up grants posted to salaries								
					152,015.00	-152,015.00	1,308,667.00	0.00		
13	31/08/2022	Leasehold Buildings transfer	0105			-609,195.00				
13	31/08/2022	Leasehold buildings depreciation tfr	0156		123,169.00					
13	31/08/2022	Freehold tfr in	BW03		609,195.00					
13	31/08/2022	Freehold dep'n tfr in	BW04			-123,169.00				
		Remove leasehold buildings from assets (included within leasehold valuation)								
					732,364.00	-732,364.00	1,308,667.00	0.00		
14	31/08/2022	Freehold property tfr in	0005		5,490,805.00					
14	31/08/2022	Freehold property depn charge for the year	0010			-109,816.00				
14	31/08/2022	Unrestricted legacies	4360			-5,490,805.00				
14	31/08/2022	Building Depreciation	6025		109,816.00					
		Bring in 180 Ashbourne Road Property from RSDD 2016 Property Trust								
					5,600,621.00	-5,600,621.00	6,689,656.00	5,380,989.00		

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2.1 ACTUAL AUDIT ADJUSTMENTS (CONTINUED)

Number	Date	Name	Account N	Reference	Debit	Credit	Net Income (Loss	Amount Chg	Recurrence	Misstatement
16	31/08/2022	Restricted transfer out	3110		321,390.00					
16	31/08/2022	General transfer in	3220			-321,390.00				
		Transfer restricted leasehold property funds to unrestricted funds								
					321,390.00	-321,390.00	6,689,656.00	0.00		
17	31/08/2022	Fixed asset investments - Additions	0502			-134,304.00				
17	31/08/2022	Fixed asset investments - Disposals	0503			-16,413.00				
17	31/08/2022	Fixed asset investments - revaulations	0510		150,717.00					
		Gross up investment portfolio disposals and revaluations.								
					150,717.00	-150,717.00	6,689,656.00	0.00		
18	31/08/2022	General transfer out	3210		2,613,826.00					
18	31/08/2022	Designated transfer in	3310			-2,613,826.00				
18	31/08/2022	Losses on investments - General funds	9010			-153,076.00				
18	31/08/2022	Gain/loss on designated fund	BW02		153,076.00					
		Tfr investment funds to campus enhancement fund								
					2,766,902.00	-2,766,902.00	6,689,656.00	0.00		
					9,989,228.00	**-9,989,228.00**	**6,689,656.00**	**5,381,948.00**		

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2.2 PROPOSED AUDIT ADJUSTMENTS

All unadjusted errors below materiality are noted in this report unless they are clearly trivial. Adjustment has not been made on the grounds of immateriality, both individually and in aggregate.

Misstatements

Nature of misstatement [1] & circumstances of its occurrence (and name of component for group audits, where applicable)	Amount of actual / potential misstatement on the			Unadjusted P&L Effect	Unadjusted B/S Effect
	Factual	Judgement	Projected		
Trf debit balances on aged creditors to trade debtors	0.00	0.00	0.00	0.00	0.00
J2-4 Trade creditors	0.00			0.00	-10,907.08
1000 Sales Ledger	0.00			0.00	10,907.08
Propose to capitalise fire alarm system expenses from repairs & bring in 1 year depn (over 5 years) *Helen didn't want to put this one through- considered it to be repairs. Subjective as an adjustment do not considered necessary.*	0.00	-47,848.00	0.00	-47,848.00	47,848.00
210 Fixtures & Fittings Additions		0.00		0.00	59,797.00
6050 Building Repairs		-59,797.00		-59,797.00	0.00
255 Fixtures & Fittings depreciation charge		0.00		0.00	-11,949.00
6025 Building Depreciation		11,949.00		11,949.00	0.00
TOTAL:	0.00	-47,848.00	0.00	-47,848.00	47,848.00

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3 AUDIT RISKS

We identified the following significant audit risks during our audit and these have been concluded as follows:

Significant Audit Risk area and issue identified at planning	Approach	Findings, significance and recommendations
Revenue recognition risk		
Inappropriate recognition of income in the incorrect period, inadequate controls to identify cut off or conscious decisions to artificially alter the reported income.	Testing and evaluation of controls around Pegasus in respect of revenue recognition and to ensure all sales and other income are recognised in the financial statements in accordance with FRS102 and to support cut off.	Controls around Pegasus in respect of revenue recognition have been tested and are operating effectively ensuring completeness of sales and other income. No material cut off issues identified during detailed testing around the year end.
Management override and bias risk		
Management has the potential to manipulate accounting records and override controls.	Detailed review of a sample of client journals and enquired regarding controls in place.	Our testing has not indicated any areas of management override or bias from our review of journal entries, or when considering accounting estimates.

bates weston AUDIT

4 ACCOUNTING AND FINANCIAL CONTROL SYSTEMS

4.1 MANAGEMENT LETTER ISSUES

The action plan below summarises our recommendations for improving the effectiveness of the Charity's accounting and financial control systems in the following areas:

	Observation	Implication	Recommendation	Cleared
1.	Priority: Low; Ref.: J18; Year: 2017 Purchase orders are not raised for all appropriate types of expenditure. Testing also found that a number of invoices are not posted onto the system for several weeks and months following the actual invoice date.	By failing to implement a consistent policy for purchase orders, the charity is exposed to unauthorised expenditure. Despite the invoices being authorised, the charity will be liable and may have little recourse to a refund in the event of inappropriate or poor value purchases.	Enforce the existing policy that requires purchase orders to be raised on all appropriate expenditure.	✓
	Response	2017 audit – Helen has emailed staff reminding them of the PO system in place and that they should be used for all purchases within the school. There are also plans to implement a centralised system whereby admin pool PO's and invoices and distribute throughout the school. 2018 audit – Problems persist as found in testing but given the timing of the audit, there will hopefully be a more identifiable improvement next year. On discussion with Helen she stated that there have been vast improvements whereby all PO and petty cash have to be signed by the Headteacher. There has also been an allocation of admin hours which are going to be used to aid the invoicing system. 2019 audit – Testing showed that there was still PO's not being raised for many invoices. Helen explained that it was not practical to raise PO's for many frequent items which we accept. However the testing showed that some larger items such as advertising and repairs did not have PO's. 2020 audit – Testing showed that there was still PO's not being raised for all invoices. Helen said it is not practical to raise PO's for frequent items which we accept. The testing did however show that items such as repairs did not have PO's. 2021 audit – Testing did not identify any missing PO's where they would have been expected to be raised. 2022 audit - Testing did not identify any missing PO's where they would have been expected to be raised. Helen explained that staff are good at raising PO's and the system is working efficiently. However, for some orders such as food it is impossible to raise a PO as it would be too time consuming. Issue considered complete.		

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	Observation						Implication	Recommendation	Cleared
2.	Priority	Low	Ref.	J18	Year	2022	Whilst an acceptable explanation, it cannot be differentiated as to which invoices were originally authorised and those that may not have been. Expenses that are not bona fide could be paid without proper authorisation and go undetected.	Ensure all invoices are properly authorised and original copies are kept.	×
	Two sampled invoices did not have evidence of being correctly authorised, which we were advised was due to the original invoice being lost and the replacements not going back for signature.								
	Response		Point acknowledged.						

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AUDIT

5 LETTER OF REPRESENTATION

Dear Sirs

MANAGEMENT REPRESENATATIONS TO BATES WESTON AUDIT LIMITED

The following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience such as we consider necessary in connection with your audit of the company's financial statements for the year ended 31 August 2022. These enquiries have included inspection of supporting documentation, where appropriate, and are sufficient to satisfy ourselves that we can make each of the following representations. All representations are made to the best of our knowledge and belief.

1 GENERAL

We have fulfilled our responsibilities as Trustees, as set out in the terms of your engagement letter under the Companies Act 2006, for preparing financial statements in accordance with applicable law and United Kingdom Accounting Standards (UK Generally Accepted Accounting Practice), for being satisfied that they give a true and fair view and for making accurate representations to you.

All the transactions undertaken by the Charity have been properly reflected and recorded in the accounting records.

All the accounting records have been made available to you for the purpose of your audit. We have provided you with unrestricted access to all appropriate persons within the Charity, and with all other records and related information requested, including minutes of all management and shareholder meetings.

The financial statements are free of material misstatements, including omissions.

The effects of uncorrected misstatements are immaterial both individually and in total.

2 INTERNAL CONTROL AND FRAUD

We acknowledge our responsibility for the design, implementation and maintenance of internal control systems to prevent and detect fraud and error.

We have disclosed to you the results of our risk assessment that the financial statements may be misstated as a result of fraud.

We have disclosed to you all instances of known or suspected fraud affecting the entity involving management, employees who have a significant role in internal control or others that could have a material effect on the financial statements.

We have also disclosed to you all information in relation to allegations of fraud or suspected fraud affecting the entity's financial statements communicated by current or former employees, analysts, regulators or others.

3 ASSETS AND LIABILITIES

The Charity has satisfactory title to all assets and there are no liens or encumbrances on the Charity's assets, except for those that are disclosed in the notes to the financial statements.

All actual liabilities, contingent liabilities and guarantees given to third parties have been recorded or disclosed as appropriate.

We have no plans or intentions that may materially alter the carrying value and, where relevant, the fair value measurements or classification of assets and liabilities reflected in the financial statements.

4 ACCOUNTING ESTIMATES

The methods, data and significant assumptions used by us in making accounting estimates, and their related disclosures, are appropriate to achieve recognition, measurement and disclosure that is reasonable in the context of the applicable financial reporting framework.

bates weston
AUDIT

5 LOANS AND ARRANGEMENTS

The Charity has not granted any advances or credits to, or made guarantees on behalf of, Trustees other than those disclosed in the financial statements.

6 LEGAL CLAIMS

We have disclosed to you all claims in connection with litigation that have been, or are expected to be, received and such matters, as appropriate, have been properly accounted for and disclosed in the financial statements.

7 LAWS AND REGULATIONS

We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.

8 RELATED PARTIES

Related party relationships and transactions have been appropriately accounted for and disclosed in the financial statements. We have disclosed to you all relevant information concerning such relationships and transactions and are not aware of any other matters which require disclosure in order to comply with the requirements of company law or accounting standards.

9 SUBSEQUENT EVENTS

All events subsequent to the date of the financial statements which require adjustment or disclosure have been properly accounted for and disclosed.

10 GOING CONCERN

We believe that the Charity's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the Charity's needs. We have considered a period of twelve months from the date of approval of the financial statements. We believe that no further disclosures relating to the Charity's ability to continue as a going concern need to be made in the financial statements.

11 DISCLOSURE OF INFORMATION

We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that, so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware.

Each Trustee has taken all the steps that he ought to have taken as a Trustee in order to make himself aware of any relevant audit information and to establish that you are aware of that information.

Yours faithfully

Signed for and on behalf of the Board of Trustees of Royal School for the Deaf Derby on page 15.

bates weston AUDIT

6 RELATED PARTIES

For the year ended 31 August 2022, the following related parties were brought to our attention and considered during our audit work:

Board of Trustees				
Name of individual	Relationships to declare?	Relationship details	Transactions in the year?	Transaction details
D Bulger	Yes ☐ No ☒		Yes ☐ No ☒	
C Crowley	Yes ☐ No ☒		Yes ☐ No ☒	
D Du Cellee Muller	Yes ☐ No ☒		Yes ☐ No ☒	
J Ottewell	Yes ☐ No ☒		Yes ☐ No ☒	
	Yes ☐ No ☐		Yes ☐ No ☐	
	Yes ☐ No ☐		Yes ☐ No ☐	
	Yes ☐ No ☐		Yes ☐ No ☐	
	Yes ☐ No ☐		Yes ☐ No ☐	
	Yes ☐ No ☐		Yes ☐ No ☐	
	Yes ☐ No ☐		Yes ☐ No ☐	

Senior management					
Name of individual	Position	Relationships to declare?	Relationship details	Transactions in the year?	Transaction details
P Burrows	Headteacher	Yes ☐ No ☒		Yes ☐ No ☒	
R Irgi	Deputy Headteacher	Yes ☐ No ☒		Yes ☐ No ☒	
N Gorse	Deputy Head Care & Guidance	Yes ☐ No ☒		Yes ☐ No ☒	
H Radford	Charity & Company Secretary	Yes ☐ No ☒		Yes ☐ No ☒	
A Pritchard	Accounts Administrator	Yes ☐ No ☒		Yes ☐ No ☒	

Please obtain confirmations from the above-named individuals and include anyone else in a position of authority as appropriate. The completed form should be returned before commencement of the audit.

Form compiled by:	Name	Helen Radford	Date	28.11.2022

bates weston
AUDIT

7 FINAL INFORMATION REQUEST

The Trustees and the auditors are required to consider, and take account of if applicable, all events up to the date of signing of the financial statements and auditors' report respectively that may need reflecting in the financial statements.

Accordingly, under ISA 560 we require sight of the following:

- latest management accounts and;
- minutes or correspondence that may be relevant to our audit.

We regret that final certified accounts cannot be released or filed at Companies House until we have received all the signed documentation including such post balance sheet information they consider adequate for our audit opinion.

Delay in returning all the documents above may involve extra audit work and consequently further fees.

8 MANAGEMENT REPORT APPROVAL

We confirm our reading and understanding of this report and evidence our approval of the following schedules without exception by signing below:

- Actual audit adjustments 5
- Proposed audit adjustments 8
- Management letter issues 10
- Letter of Representation 12
- Related parties 14

Approved on behalf of the Board

Signed .....

Name James Alb Ottewell
Trustee

Date 23rd Feb 2023

ROYAL SCHOOL FOR THE DEAF DERBY

England & Wales - Charity number 1062507

Accounts

Registered number: 03367515
Charity number: 1062507

ROYAL SCHOOL FOR THE DEAF DERBY

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

ROYAL SCHOOL FOR THE DEAF DERBY
(A Company Limited by Guarantee)

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ROYAL SCHOOL FOR THE DEAF DERBY

(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2021

Trustees	Mr D C du Celliee Muller Mr J H Richardson (resigned 16 September 2021) Mr J A B Ottewell Mr A M L Passmore (resigned 21 April 2021) Mr D E Bulger Mr C Crowley
Company registered number	03367515
Charity registered number	1062507
Registered office	180 Ashbourne Road Derby DE22 3BH
Company secretary	Miss H N Radford
Independent auditors	Bates Weston Audit Ltd Statutory Auditors Chartered Accountants The Mills Canal Street Derby DE1 2RJ
Bankers	HSBC Bank Plc 1 St Peter's Street Derby DE1 2AE

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their annual report together with the audited financial statements for the year 1 September 2020 to 31 August 2021. The Trustees confirm that the Annual Report and financial statements of the company comply with current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

OBJECTIVES AND ACTIVITIES

Policies and objectives

The main objective of the charitable company is to promote the relief of children and young people who are deaf or whose hearing or speech is impaired, by furthering their education.

Strategies for achieving objectives

Accordingly, the charitable company is dedicated to the operation of an effective special school for deaf children and young people.

Activities for achieving objectives

Curriculum design which places the progress and experiences of children at the heart of everyday practice.

A clear vision for children and young people to:

- Have confidence in developing their own deaf identity and their sense of belonging;
- Feel safe, happy and cared for in an environment where all children are listened to, can express their views and are understood whatever their preferred communication;
- Be challenged to achieve their best through excellent teaching, a comprehensive curriculum and a wide variety of experiences from Early Years to 16 Plus;
- Work in an environment that encourages lifelong learning, and equips children and young people with the tools and skills to achieve;
- Be tolerant and inclusive, so all children and young people are able to build effective relationships based on empathy, friendship and respect;
- Have access to excellent communication support.

MAIN ACTIVITIES UNDERTAKEN TO FURTHER THE CHARITY'S PURPOSES FOR THE PUBLIC BENEFIT

The trustees confirm that they have paid due regard to the Charity Commission's guidance on public benefit, including the guidance contained in the document 'Public Benefit: Running a Charity (PB2)'.

ACHIEVEMENTS AND PERFORMANCE

Review of activities

The School continues to work towards its ambition to be the best provider of education and care to deaf children and young people. Its reputation in the field of deaf education is secure and endorsed by Ofsted Care. Despite a year complicated by coronavirus restrictions, residential provision was judged outstanding for the second year running in July 2021. Maintaining an outstanding care provision and consolidating the judgment across the entire provision is the next milestone.

A number of restricted and designated funds continue to make significant contributions to ensuring the health, wellbeing and progress of children and young people does not falter. Catch-up funding together with 16 to 19 funding for maths and English enabled every young person, no matter what their age or where they live, to receive the education, opportunities and outcomes they deserve. Efforts focused on measures proven to be

effective, particularly for those most disadvantaged. An audit of gaps, barriers to learning and trends specific to SEN learning needs directed funds to three main areas. Firstly, reducing any gaps in knowledge because of remote teaching and learning. Secondly, making sure children and young people have positive levels of well-being particularly around increased anxieties about friendships, life and death, socialising and school. Thirdly, lowering parental stresses which may lead to increased anxieties in children and young people.

Pupil premium and sports premium bolstered interventions and strategies already in place. Primary department chose to spend their fund on a new log cabin, their very own Forest School base on campus. A review of interventions provided by pupil premium funding demonstrates positive outcomes against all aims including, to encourage motivation, engagement and resilience, as well as support to 'bounce back' from life's challenges. All pupils were able to access group therapy and wellbeing as part of the curriculum for an identified amount of time. All pupils accessed group wellbeing sessions delivered by qualified deaf therapists in September with a particular focus on coronavirus. Data demonstrates interventions for reading, phonics and high frequency word development have enabled many CYP to catch up. Reading test data demonstrates improved reading and comprehension ages. Overall, the impact of coronavirus on reading skills is reducing. Further and better detail on the impact of all of the funds can be found under our general information tab here: www.rsdd.org.uk

A number of grants together with hard earned reserves allowed the big repair and renew plan to keep momentum. This summer featured roof repairs, modernising changing room facilities, a new campus wide fire system, a sensory floor and redecoration of some classrooms in secondary. Robust financial planning helped celebrate the school's cultural capital with repairs to the original painting of Dr Roe founder of the School and outdoor fountain designed by Pope.

Last year trustees whole heartedly agreed with the wishes of children to lower the school's carbon footprint and are now proud to report that all of the electricity used by the school comes from renewable sources. More plans to contribute to net zero are in future developments. In the meantime, trustees remain committed to realising the wishes of children and young people for an environmentally friendly, contemporary space to live and learn in.

FINANCIAL REVIEW

Trustees continue to celebrate the outstanding financial health of the school endorsed by key funding partners. Reserves targets are met in full. This affords further scope and independence to the governing body, senior leadership team, children and young people and wider stakeholders to have their say about longer term aspirations for the school. Financial sustainability and success continue to be driven by prudent spending, improved fee income as trust and confidence in the school flourishes, outstanding results from key regulators, a fairer fee structure and most of all, a qualified, competent, confident staff team with a relentless focus on the quality of provision.

This year the budget included a staffing contingency fund to ensure costs associated with the pandemic did not detract from resources available to teaching and learning and care. The fund was used to employ additional staff needed to implement control measures. It became evident from consultation with staff that additional resource was needed not only to keep staff and children and young people as safe as possible but also to make sure they felt as safe.as possible. Similarly, a contingency emergency health and safety fund buffered the cost of adaptations to the built environment together with child friendly cleaning products and resources.

Prospective pupil visits and assessments from new placing authorities are expanding the scope of the provision, adding to the number of commissioning authorities and, in turn, the diversity of the population of children and young people at the school. Continuous refinement to the assessment of a pupil's need by a range of in-house experts provides a robust rationale for individualised placement fees, adding transparency to the fee structure and enabling the school to deliver the best outcomes for each learner and value for money.

Fee income and staff expenditure remain the two key financial indicators. Fee income enjoyed a boost with a number of new pupils joining in year. Staff expenditure remained in check due to substantial grants to the rising costs of employment brought about by continual increases in teacher pay and pension contributions. The rise in

income coupled with the fall in expenditure resulted in a healthy surplus. That said, trustees are mindful of diminishing grants to employment costs and maintain a keen eye on balancing income and expenditure through timely and accurate management reporting.

Essential campus repairs and routine maintenance represent substantial costs. Grants towards the ongoing maintenance of the premises were used effectively to offset planned expenditure.

As an educational charity the school is unable to reclaim VAT input tax on costs as we are exempt for tax purposes. We also pay tax as an employer through the national insurance contributions we make.

GOING CONCERN

After making appropriate enquiries, the trustees reasonably expect the Charity has sufficient resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

PRINCIPAL FUNDING

Pupil fees received from the Education and Skills Funding Agency and Local Authorities represent the largest part of incoming resources. In the year to 31 August 2021 amounting to 99% of total incoming resources.

RESERVES AND INVESTMENT POLICIES

The unrestricted funds shown on the balance sheet at the year end represent the free reserves of the charitable company. Trustees are pleased to see continued growth in the free reserves this year. Current reserves enable the School to respond independently to material fluctuations in its operating commitments.

Last year the school made rapid progress towards a reserves target of £0.9 - £1.3m in readily available reserves. The target is now met. Total reserves are £1,887,452 of which fixed assets are £1,819,699. After deducting fixed assets there is £52,702 of restricted funds remaining.

On 19 October 2021 the RSDD 2016 Property Trust merged with the RSD Derby School Trust adding significant resources. Synergy between the trusts was obvious from their outset. Both have strong governance, robust stewardship of funds, common purposes. Trustees are looking forward to bigger and bolder discussions with children, young people, their families, staff and other stakeholders about their long-term aspirations for the future of Royal School for the Deaf Derby.

Trustees follow a policy of maintaining the investment of the charity in readily realisable, low risk cash products. Investments are held in accordance with the trustees' powers. Investment & reserves policies are reviewed annually in conjunction with the appointed investment managers.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The charitable company is a company limited by guarantee, governed by its Memorandum and Articles of Association and a Board of Governors. The Governors operate subject to a Scheme of Delegation approved by Trustees.

The charitable company operates Royal School for the Deaf Derby, a non maintained special school approved for the education of deaf and hearing impaired pupils aged 3 to 19.

Method of appointment or election of Trustees

The trustees of the charitable company constitute directors for Companies Act purposes. One third of trustees retire by rotation annually and may also be reappointed. The charitable company may otherwise by ordinary resolution appoint a trustee to either fill a casual vacancy or as an additional trustee. Appointment of additional trustees is subject to the unanimous approval of existing trustees who may seek out or advertise for additions to their number in order to enhance the skills and diversity of their Board.

The board of governors takes a strategic view of the school's policies and objectives. Progress and achievement in key functional and operational areas are subject to more detailed monitoring and evaluation by governors' committees that meet at least once per academic term. Discrete committees meet in addition to full board meetings and have responsibilities under the following headings: Resources (including Finance, Human Resources, Premises and Health & Safety) Pupil Wellbeing & Attainment

In addition to governor representation at these meetings, the chair of the governing body is invited to attend all trustee meetings. As well as general responsibilities, each governor is expected to have or adopt an area of special interest relevant to the school's operation and new governor recruitment is focused on the specialisms needed. The complement of the governing body is subject to annual ratification by trustees. The governors may co opt additional members to enhance any of the committee's capabilities. New governors benefit from an induction process, are encouraged to access training and support through the Derby City governor programme and development sessions provided by the School’s Improvement Officer tailored to the Governing Body’s strategic plans and the regulatory framework.

Organisational structure and decision making

Responsibility for the day to day organisation, management and control of the school lies with its senior leadership team (SLT) led by the Headteacher and is made up of a Deputy Headteacher Achievement, Deputy Head Care & Guidance and an Assistant Headteacher Early Years Foundation Stage/Primary. Staffing budgets are devolved to members of the SLT as set out in their role specifications. The Headteacher is a member of the SLT and has overall responsibility for managing the team and the running of the school. The performance management of the Headteacher is conducted by a specialist consultant together with the chair of the governing body. The performance management of other members of the leadership team is the responsibility of the Headteacher. Pay for members of the senior leadership team has been set on the advice of an external consultant, having reference to the School Teachers' Pay and Conditions Document England & Wales. The pay of teaching staff is set by reference to the same Document and the pay of non teaching staff ordinarily determined by reference to the Pay Scales and Allowances of the National Joint Council for Local Government Services together with accepted practice in the sector. In all cases pay is tied to performance through performance management activities.

RISK MANAGEMENT

Governors and Trustees review the risks facing the school by taking on the role of critical friends, monitoring the quality of teaching and learning, school self-assessment and development plans, pupil attainment and wellbeing, safeguarding, income and expenditure, movements in restricted funds, cash flow forecasts, key financial indicators, annual budgets. An at a glance overview is provided to trustees via a balanced scorecard. It gives a comprehensive overview of performance across all functions identified in the Scheme of Delegation to determine levels of autonomy in the decision making structure. Individual governors are assigned to scrutinise and report on particular operational risk areas through the Committees listed above.

Health and Safety issues are a permanent feature of the Resources Committee Agenda. The declaration of any conflicts of interest is required before the start of all Trustee, Governor and Committee meetings.

Alleged or suspected material safeguarding issues are a rolling agenda item at all trustee and governing body meetings and initially reviewed in detail by the Pupil Wellbeing and Attainment Committee. There is a

safeguarding team comprised of qualified and competent members of school staff led by the Deputy Head Care & Guidance who is the Designated Safeguarding Lead line managed by the Headteacher. Safeguarding policy and practice is scrutinised by a dedicated safeguarding governor. Governors ensure that one of their number always acts as Safeguarding Governor and receives appropriate training.

Long term financial health is intimately tied to the maintenance and development of pupil numbers at suitable fee levels. The Headteacher and Finance Committee are required to pay particular attention to this need.

The school is a member of the National Association of Special Schools, a body representing the interests of non maintained and independent special schools. It also works closely with Derby City Council in addressing issues of mutual interest in the arena of the provision and development of special education for deaf learners.

PLANS FOR FUTURE PERIODS

Future developments

The next milestone in the School's aspiration to be an outstanding provider is to mirror the Ofsted Care judgement at its next Ofsted Education visit. The school plans to showcase its curriculum designed to place the experiences, progress and achievements of children and young people at the heart of everyday practice.

As the population of children and young people at the school becomes increasingly diverse the importance of a broad, deep, rich curriculum grows. The school has tasked itself with developing a curriculum capable of championing its diversity, building "life ready" skill sets and knowledge so every young person leaves with the know-what and know-how to enjoy adult life. Evidence based approaches informed by research and knowledge of individual learners continue to direct school led tutoring and recovery premium grants.

Projects to enhance the experiences of children and young people and add value for money to placement fees at no additional cost to placing partners continue. A whole school move to using LED lights, pro-active roof maintenance and a more efficient heating system are planned for summer 2022. The school's designated children's fund is expected to play an increasingly important role in providing essential items such as school uniform, contributing to travel costs and educational trips and visits for children and young people from families who are struggling financially.

The school is excited about the gift of the Roe Memorial fund and its purpose, to support the welfare, social and recreational needs of adult Deaf people. The school community is buzzing with ideas to welcome the wider Deaf community back on campus. Ideas include an RSD Derby show home venue for deaf events led by Post 16 enterprise initiatives, British Sign Language and Deaf Awareness courses and a hub to launch literacy and numeracy delivered by qualified teachers of the Deaf to Deaf people. A significant legacy is anticipated to help realise these ideas once consensus is reached.

The RSDD 2016 Property Trust decided to merge into Royal School for the Deaf Derby during the year. At the time of writing this report the merge is complete. The strengths of each trust combined enhance resources available to provide the very best preparation for adulthood for deaf children and young people.

Trustees' responsibilities statement

The Trustees (who are also directors of Royal School for the Deaf Derby for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 the incoming resources and application of resources, including the income and expenditure, of the charitable company 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;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

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

Approved by order of the members of the board of Trustees on 14 January 2022 and signed on their behalf by:

Mr J A B Ottewell

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROYAL SCHOOL FOR THE DEAF DERBY

Opinion

We have audited the financial statements of Royal School for the Deaf Derby (the 'charity') for the year ended 31 August 2021 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 and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

detailed below:

Based on our understanding of the charity and sector in which it operates, we considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. Audit procedures performed by the engagement team included:

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

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

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

Use of our report

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

Wayne Thomas ACA (Senior Statutory Auditor)
for and on behalf of
Bates Weston Audit Ltd
Statutory Auditors
Chartered Accountants
The Mills
Canal Street
Derby
DE1 2RJ

8 March 2022

ROYAL SCHOOL FOR THE DEAF DERBY

(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Income from:					
Donations and legacies	2	**16,370**	**-**	**16,370**	*5,799*
Charitable activities	3	**4,608,617**	**327,980**	**4,936,597**	*4,603,486*
Other income		**5,275**	**-**	**5,275**	*7,460*
Total income		**4,630,262**	**327,980**	**4,958,242**	*4,616,745*
Expenditure on:					
Charitable activities	4	**4,162,959**	**314,964**	**4,477,923**	*4,190,930*
Total expenditure		**4,162,959**	**314,964**	**4,477,923**	*4,190,930*
Net income		**467,303**	**13,016**	**480,319**	*425,815*
Transfers between funds	13	**16,311**	**(16,311)**	**-**	*-*
Net movement in funds		**483,614**	**(3,295)**	**480,319**	*425,815*
Reconciliation of funds:					
Total funds brought forward		**1,037,358**	**394,774**	**1,432,132**	*1,006,317*
Net movement in funds		**483,614**	**(3,295)**	**480,319**	*425,815*
Total funds carried forward		**1,520,972**	**391,479**	**1,912,451**	*1,432,132*

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

The notes on pages 14 to 29 form part of these financial statements.

ROYAL SCHOOL FOR THE DEAF DERBY

(A Company Limited by Guarantee)
REGISTERED NUMBER: 03367515

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note		2021 £		*2020 £*
Fixed assets					
Tangible assets	8		**564,987**		*571,921*
Investments	9		**1,254,712**		*607,698*
			1,819,699		*1,179,619*
Current assets					
Debtors	10	**155,401**		*294,971*	
Investments	11	**51,210**		*201,144*	
Cash at bank and in hand		**265,717**		*289,075*	
		472,328		*785,190*	
Creditors: amounts falling due within one year	12	**(379,576)**		*(532,677)*	
Net current assets			**92,752**		*252,513*
Total net assets			**1,912,451**		*1,432,132*
Charity funds					
Restricted funds	13		**391,479**		*394,774*
Unrestricted funds	13		**1,520,972**		*1,037,358*
Total funds			**1,912,451**		*1,432,132*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Mr J A B Ottewell

Date: 14 January 2022

The notes on pages 14 to 29 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	2021 £	*2020* *£*
Cash flows from operating activities		
Net cash used in operating activities	**497,716**	*146,388*
Cash flows from investing activities		
Purchase of tangible fixed assets	**(23,994)**	-
Net cash (used in)/provided by investing activities	**(23,994)**	**-**
Change in cash and cash equivalents in the year	**473,722**	**146,388**
Cash and cash equivalents at the beginning of the year	**1,097,917**	*951,529*
Cash and cash equivalents at the end of the year	**1,571,639**	*1,097,917*

The notes on pages 14 to 29 form part of these financial statements

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

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Royal School for the Deaf Derby meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Company status

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

1.3 Income

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

For legacies, entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Charity, or the Charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Pupil fee income represents fees invoiced to Local Authorities for educational purposes supplied during the year and recognised in the period to which it relates, together with "core" pupil funding from the Educational and Skills Funding Agency, recognised when it is received.

The charitable company also receives grants for educational purposes resulting from initiatives by the Department for Education and Skills.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the school. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

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 on charitable activities includes the cost of education activities undertaken to further the Charity's objectives, as well as any associated support costs.

1. Accounting policies (continued)

1.4 Expenditure (continued)

All expenditure is inclusive of irrecoverable VAT.

1.5 Taxation

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

1.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Leasehold property includes the cost of any building improvements to leased land.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Leasehold property	- 50 years
Motor vehicles	- 4 years
Fixtures and fittings	- 5 years

1.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as ‘Gains/(Losses) on investments’ in the Statement of Financial Activities.

1.8 Operating leases

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

1. Accounting policies (continued)

1.9 Pensions

The School participates in a multi employer defined benefits pension scheme, "The Teachers' Pension Scheme (England and Wales)", for its teachers. As a result it is not possible or appropriate to identify the assets and liabilities of the Scheme which are attributable to the School. In accordance with Financial Reporting Standard 102 therefore, the Scheme is accounted for as a defined contribution scheme. The Scheme is managed by the Department of Education.

The charity operates a defined contributions arrangement for its non-teaching staff in terms of group personal pension plans.

Contributions to both schemes are charged in the Statement of financial activities (incorporating income and expenditure account) as they become payable in accordance with the rules of the Scheme.

1.10 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2. Income from donations and legacies

	Unrestricted funds 2021 £	**Total funds 2021 £**	*Total funds 2020 £*
Donations	16,370	**16,370**	*5,799*

3. Income from charitable activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Pupil fee income	3,169,696	-	**3,169,696**	*3,094,067*
Grants	-	65,687	**65,687**	*153,310*
Government grants	1,438,921	262,293	**1,701,214**	*1,356,109*
Total 2021	4,608,617	327,980	**4,936,597**	*4,603,486*
Total 2020	*4,485,364*	*118,122*	*4,603,486*	

Government grants received support the provision of education to pupils.

4. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Staffing costs	3,049,976	43,554	**3,093,530**	*2,992,530*
Education and pupil support costs	372,166	-	**372,166**	*384,912*
Campus and property costs	499,226	271,410	**770,636**	*546,053*
Administration costs	189,799	-	**189,799**	*211,258*
Governance costs	51,792	-	**51,792**	*56,177*
	4,162,959	314,964	**4,477,923**	*4,190,930*
Total 2020	*4,077,236*	*113,694*	*4,190,930*	

4. Analysis of expenditure on charitable activities (continued)

Summary by expenditure type

	Staff costs 2021 £	Depreciation 2021 £	Other costs 2021 £	**Total funds 2021 £**	*Total funds 2020 £*
Staffing costs	2,990,516	-	103,014	**3,093,530**	*2,992,530*
Education and pupil support costs	-	-	372,166	**372,166**	*384,912*
Campus and property costs	-	27,197	743,439	**770,636**	*546,053*
Administration costs	-	-	189,799	**189,799**	*211,258*
Governance costs	-	-	51,792	**51,792**	*56,177*
	2,990,516	27,197	1,460,210	**4,477,923**	*4,190,930*
Total 2020	*2,903,126*	*30,791*	*1,257,013*	*4,190,930*	

5. Auditors' remuneration

	2021 £	*2020 £*
Auditors' remuneration	**8,700**	*8,500*
Fees payable to the Charity's auditor in respect of:		
Non-audit services	**6,600**	*8,000*

6. Staff costs

	2021 £	*2020 £*
Wages and salaries	**2,499,772**	*2,436,665*
Social security costs	**213,544**	*202,854*
Other pension costs	**277,200**	*263,607*
	2,990,516	*2,903,126*

6. Staff costs (continued)

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

	2021	*2020*
Academic	**26**	*27*
Residential care	**11**	*12*
Learning support	**46**	*48*
Corporate & technical services	**29**	*31*
	112	*118*

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

	2021 No.	*2020* *No.*
In the band £70,001 - £80,000	**1**	*1*

Key management personnel during the year comprised the Senior Leadership Team who received total remuneration and benefits of £275,739 (2020 - £267,757).

7. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2020 - £NIL)*.

During the year ended 31 August 2021, no Trustee expenses have been incurred *(2020 - £NIL)*.

8. Tangible fixed assets

	Long-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Total £
Cost				
At 1 September 2020	**609,195**	**79,150**	**1,538,879**	**2,227,224**
Additions	**-**	**-**	**23,994**	**23,994**
At 31 August 2021	**609,195**	**79,150**	**1,562,873**	**2,251,218**

8. Tangible fixed assets (continued)

	Long-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Total £
Depreciation				
At 1 September 2020	**98,801**	**79,150**	**1,477,352**	**1,655,303**
Charge for the year	**12,184**	**-**	**18,744**	**30,928**
At 31 August 2021	**110,985**	**79,150**	**1,496,096**	**1,686,231**
Net book value				
At 31 August 2021	**498,210**	**-**	**66,777**	**564,987**
At 31 August 2020	*510,394*	*-*	*61,527*	*571,921*

9. Fixed asset investments

	Cash held on long-term deposits £
Valuation	
At 1 September 2020	**607,698**
Additions	**647,014**
At 31 August 2021	**1,254,712**

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

10. Debtors

	2021 £	2020 £
Trade debtors	**31,575**	*180,418*
Due from connected charity	**33,670**	*36,874*
Other debtors	**-**	*81*
Prepayments and accrued income	**90,156**	*77,598*
	155,401	*294,971*

11. Current asset investments

	2021 £	2020 £
Cash on deposit	**51,210**	*201,144*

12. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	**45,644**	*235,114*
Other taxation and social security	**48,266**	*46,211*
Other creditors	**20,548**	*9,665*
Accruals and deferred income	**265,118**	*241,687*
	379,576	*532,677*

	2021 £	2020 £
Deferred income at 1 September 2020	**161,709**	*230,775*
Resources deferred during the year	**184,216**	*161,709*
Amounts released from previous periods	**(161,709)**	*(230,775)*
Deferred income as at 31 August 2020	**184,216**	*161,709*

Deferred income includes fees charged for pupils of £83,470, ESFA grant funding totaling £98,467 and other income of £2,279.

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

13. Statement of funds

Statement of funds - current year

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2021 £
Unrestricted funds					
Designated funds					
Children's Fund	**5,016**	**-**	**(627)**	**-**	**4,389**
Fundraising	**2,375**	**10,350**	**(11,075)**	**(1,650)**	**-**
Tuck Shop	**326**	**784**	**(684)**	**-**	**426**
	7,717	**11,134**	**(12,386)**	**(1,650)**	**4,815**
General funds					
General funds	**1,029,641**	**4,619,128**	**(4,150,573)**	**17,961**	**1,516,157**
Total Unrestricted funds	**1,037,358**	**4,630,262**	**(4,162,959)**	**16,311**	**1,520,972**
Restricted funds					
Leasehold Building Funds	**338,298**	**-**	**(8,454)**	**-**	**329,844**
Greggs	**1,250**	**1,000**	**(1,433)**	**-**	**817**
Devolved Capital Grant	**22,332**	**21,527**	**(34,926)**	**-**	**8,933**
NMSS Maintenance Grant	**-**	**127,405**	**(127,405)**	**-**	**-**
Pupil Premium Receipts	**12,760**	**60,405**	**(72,165)**	**-**	**1,000**
Sports Premium Grant	**6,864**	**16,300**	**(5,859)**	**(16,200)**	**1,105**
Greggs Hamper Fund	**-**	**3,000**	**(3,000)**	**-**	**-**
Roe Memorial	**-**	**34,687**	**-**	**-**	**34,687**
European Visits Fund	**6,716**	**1,250**	**(93)**	**-**	**7,873**
Careers Local	**-**	**4,500**	**(4,500)**	**-**	**-**
Covid Catch Up Funding	**-**	**27,600**	**(27,600)**	**-**	**-**
Moscow Bilingual	**-**	**-**	**-**	**1,650**	**1,650**
Sponsorship 5 aside	**5,430**	**-**	**-**	**-**	**5,430**
Free School Meals	**-**	**1,761**	**-**	**(1,761)**	**-**
Bursary 17-18	**-**	**2,795**	**(2,795)**	**-**	**-**
Foundation Derbyshire	**1,124**	**-**	**(1,124)**	**-**	**-**
Duke of Edinburgh	**-**	**750**	**(610)**	**-**	**140**
2016 RSDD Property Trust	**-**	**25,000**	**(25,000)**	**-**	**-**

13. Statement of funds (continued)

Statement of funds - current year (continued)

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2021 £
	394,774	**327,980**	**(314,964)**	**(16,311)**	**391,479**
Total of funds	**1,432,132**	**4,958,242**	**(4,477,923)**	**-**	**1,912,451**

Statement of funds - prior year

	Balance at 1 September 2019 £	*Income £*	*Expenditure £*	*Transfers in/out £*	*Balance at 31 August 2020 £*
Unrestricted funds					
Designated funds					
Children's Fund	*5,016*	*-*	*-*	*-*	*5,016*
Fundraising	*369*	*2,555*	*(549)*	*-*	*2,375*
Tuck Shop	*266*	*919*	*(859)*	*-*	*326*
	5,651	*3,474*	*(1,408)*	*-*	*7,717*
General funds					
General funds	*609,701*	*4,385,228*	*(3,965,907)*	*619*	*1,029,641*
Total Unrestricted funds	*615,352*	*-*	*(3,967,315)*	*619*	*1,037,358*
Restricted funds					
Leasehold Building Funds	*346,752*	*-*	*(8,454)*	*-*	*338,298*
Greggs	*-*	*1,250*	*-*	*-*	*1,250*
Devolved Capital Grant	*20,862*	*8,016*	*(6,546)*	*-*	*22,332*
NMSS Maintenance Grant	*-*	*42,271*	*(42,271)*	*-*	*-*
Pupil Premium Receipts	*6,385*	*45,314*	*(38,939)*	*-*	*12,760*
Sports Premium Grant	*2,008*	*16,320*	*(11,464)*	*-*	*6,864*

13. Statement of funds (continued)

Statement of funds - prior year (continued)

	Balance at 1 September 2019 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Balance at 31 August 2020* £
European Visits Fund	*7,960*	*1,900*	*(3,144)*	*-*	*6,716*
Sponsorship 5 aside	*5,430*	*-*	*-*	*-*	*5,430*
Free School Meals	*-*	*619*	*-*	*(619)*	*-*
Bursary 17-18	*-*	*2,432*	*(2,432)*	*-*	*-*
Foundation Derbyshire	*1,568*	*-*	*(444)*	*-*	*1,124*
	390,965	*118,122*	*(113,694)*	*(619)*	*394,774*
Total of funds	*1,006,317*	*118,122*	*(4,081,009)*	*-*	*1,432,132*

The designated Children's Fund arises from individual unrestricted donations received by the charitable company that are used in the support of pupils in situations of hardship and for the provision of items for residential pupils not normally funded through local authority fees.

The Leasehold buildings fund represents the grant funding received towards the cost of two campus buildings (the Beddoes Science Lab and the Karten Building) less apportioned accumulated depreciation to date. During the year ended 31 August 2016 the cost of the Karten Building was transferred to the charitable company from Derby College for the Deaf People together with the remaining balance of associated restricted funding and liabilities.

The minibus sponsors represent donations from the Variety Club and Lords Taverners Funds towards the cost of two new school minibuses purchased during the year ended 31 August 2016, less depreciation charged.

The closing balance on the DfE Devolved Capital Grant represents the cost of qualifying additions to buildings and equipment less depreciation charges to date.

The NMSS Maintenance Grant is received from the DfE as a contribution towards the upkeep of the premises on non-maintained special schools.

Pupil Premium funding is received from local authorities to be applied towards the educational benefit of named disadvantaged learners.

The Sport Premium Fund is the unexpired portion of an ESFA Grant received for the benefit of sporting activities in the school's Primary Department.

The Careers local grant allowed young people to access a range of extra curricular opportunities to enhance their life choices and ensure the best possible transition into employment, further education or training programmes.

The balance of the European Educational Visits Fund is the unused portion of British Council funding for European pupil exchange visits, carried forward to future

National Lottery was a grant towards ongoing celebrations of the school's 125th anniversary and the shared language, culture, heritage and experiences of Deaf children and adults in the wider community

The MUGA was a successful application to Sports England for an Exchequer Award of £25,832 together with funding from a number of grants namely the Garfield Weston Foundation, the Beatrice Laing Foundation, Healthy Pupils grant and the Peter Harrison Foundation enabled the School to match the Exchequer Award and build an outside all weather Multi Use Games Area (MUGA) to be enjoyed by children and young people of all ages across the school. The facility can also be shared with the wider community including other schools and groups.

The Free School Meals Grant has been used to mitigate the cost of providing food for appropriately aged pupils in the school's Primary Department.

The Bursary Fund is received from the ESFA to assist needy Post 16 learners with their course expenses and is distributed at the school's discretion.

The UPS fund is where the School successfully bid for a grant to modernise the common room and kitchen enjoyed by young people in the Post 16 department.

The RSDD Property Trust was a generous donation towards the repair and upgrade of the School's IT infrastructure to allow further improvements to IT literacy and teaching and learning in all subject areas for all children and young people.

The Greggs Hamper Fund provides festive food hampers to support families over the Christmas holidays.

The Roe Memorial Fund supports the welfare, social and recreational needs of adult deaf people.

The COVID Catch-up Premium fund supports children and young people to catch up on missing learning caused the coronavirus (COVID-19). This is especially important for the most vulnerable pupils and pupils from disadvantaged backgrounds who we know have been most affected.

The Moscow Bilingual fund supports families of deaf children to develop sign language skills.

The Sponsorship five-a-side Fund is the provision of five-a-side facilities and tutoring for the community.

The Universal Infant Free School Meals Fund is the provision of free school meals in reception, year 1 and year 2.

The 16-19 Bursary Fund is to support eligible young people with costs associated with their chosen course of study for example, clothing, books, equipment and transport.

The Foundation Derbyshire Fund is the provision of school wide mental health initiatives and workshops.

The Duke of Edinburgh's Award Sylvia Waddilove Foundation Fund is to support children and young people in gaining their Duke of Edinburgh's medals through the provision of outdoor equipment and expedition costs.

14. Summary of funds

Summary of funds - current year

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2021 £
Designated funds	**7,717**	**11,134**	**(12,386)**	**(1,650)**	**4,815**
General funds	**1,029,641**	**4,619,128**	**(4,150,573)**	**17,961**	**1,516,157**
Restricted funds	**394,774**	**327,980**	**(314,964)**	**(16,311)**	**391,479**
	1,432,132	**4,958,242**	**(4,477,923)**	**-**	**1,912,451**

Summary of funds - prior year

	Balance at 1 September 2019 £	*Income £*	*Expenditure £*	*Transfers in/out £*	*Balance at 31 August 2020 £*
Designated funds	*5,651*	*3,474*	*(1,408)*	*-*	*7,717*
General funds	*609,701*	*4,385,228*	*(3,965,907)*	*619*	*1,029,641*
Restricted funds	*390,965*	*118,122*	*(113,694)*	*(619)*	*394,774*
	1,006,317	*4,506,824*	*(4,081,009)*	*-*	*1,432,132*

15. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	226,210	338,777	**564,987**
Fixed asset investments	1,254,712	-	**1,254,712**
Current assets	404,714	67,614	**472,328**
Creditors due within one year	(364,664)	(14,912)	**(379,576)**
Total	1,520,972	391,479	**1,912,451**

15. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	*Restricted funds 2020 £*	*Total funds 2020 £*
Tangible fixed assets	*223,533*	*348,388*	*571,921*
Fixed asset investments	*607,698*	*-*	*607,698*
Current assets	*723,123*	*62,067*	*785,190*
Creditors due within one year	*(516,996)*	*(15,681)*	*(532,677)*
Total	*1,037,358*	*394,774*	*1,432,132*

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

	2021 £	*2020 £*
Net income for the year (as per Statement of Financial Activities)	**480,319**	*425,815*
Adjustments for:		
Depreciation charges	**30,928**	*34,522*
Movement in debtors	**164,570**	*(170,164)*
Movement in creditors	**(153,101)**	*(143,785)*
Net cash provided by operating activities	**522,716**	*146,388*

17. Analysis of cash and cash equivalents

	2021 £	*2020 £*
Cash in hand	**265,717**	*289,075*
Investments	**1,305,922**	*808,842*
Total cash and cash equivalents	**1,571,639**	*1,097,917*

18. Analysis of changes in net debt

	At 1 September 2020	Cash flows	At 31 August 2021
	£	£	£
Cash at bank and in hand	**289,075**	**(23,358)**	**265,717**
Cash held on long-term deposits	**607,698**	**647,014**	**1,254,712**
Cash equivalents	**201,144**	**(149,934)**	**51,210**
	1,097,917	**473,722**	**1,571,639**

19. Pension commitments

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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

The pension charge for the year includes contributions payable to the TPS of £221,910 (2020 - £209,596). At the year-end £20,206 (2020 - £9,665) was accrued in respect of contributions to this scheme. The Charity also runs a scheme for its non-teaching staff under which defined contributions are paid into a group personal pension arrangement. The cost for the year represents the School's contributions to that Scheme of £55,290 (2020 - £54,011).

VALUATION OF THE TEACHERS' PENSION SCHEME

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

- employer contribution rates set at 23.68% of pensionable pay, including a 0.08% employer administration charge
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million;
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations; and

19. Pension commitments (continued)

- the assumed real rate of return is 2.8% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return is 4.45%.

The TPS valuation for 2016 determined an employer rate of 23.68%, which was payable from 1 September 2019.

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

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

20. Operating lease commitments

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

	2021	*2020*
	£	*£*
Not later than 1 year	**15,937**	*15,563*
Later than 1 year and not later than 5 years	**7,895**	*15,696*
	23,832	*31,259*

21. Related party transactions

Mr D C du Celliee Muller and Mr J H Richardson were also trustees of RSDD 2016 Property Trust during the year. £25,000 was granted to the School during the year and is included within debtors as due from the connected charity.

22. Post balance sheet events

On 19 October 2021, the School merged with the connected charity, RSDD 2016 Property Trust (Charity Number: 1166083). The transfer of the connected charity's assets and liabilities will be reflected in the financial year ended 31 August 2022. There is no impact on the financial statements of the School for the year ended 31 August 2021.

23. Controlling party

The Trustees consider there to be no ultimate controlling party.

ROYAL SCHOOL FOR THE DEAF DERBY

England & Wales - Charity number 1062507

Accounts

Registered number: 03367515
Charity number: 1062507

ROYAL SCHOOL FOR THE DEAF DERBY

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

ROYAL SCHOOL FOR THE DEAF DERBY
(A Company Limited by Guarantee)

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ROYAL SCHOOL FOR THE DEAF DERBY
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2020

Trustees	Mr D C du Celliee Muller M J H Richardson Mr J A B Ottewell Mr A M L Passmore Mr D E Bulger Mr C Crowley
Company registered number	03367515
Charity registered number	1062507
Registered office	180 Ashbourne Road Derby DE22 3BH
Company secretary	Miss H N Radford
Independent auditors	Bates Weston Audit Ltd Statutory Auditors Chartered Accountants The Mills Canal Street Derby DE1 2RJ
Bankers	HSBC Bank Plc 1 St Peter's Street Derby DE1 2AE

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees present their annual report together with the audited financial statements for the year 1 September 2019 to 31 August 2020. The Trustees confirm that the Annual Report and financial statements of the company comply with current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

OBJECTIVES AND ACTIVITIES

Policies and objectives

The main objective of the charitable company is to promote the relief of children and young people who are deaf or whose hearing or speech is impaired, by furthering their education.

Strategies for achieving objectives

Accordingly, the charitable company is dedicated to the operation of an effective special school for deaf children and young people.

Activities for achieving objectives

Curriculum design which places the progress and experiences of children at the heart of everyday practice.

A clear vision for children and young people to:

- Have confidence in developing their own deaf identity and their sense of belonging;
- Feel safe, happy and cared for in an environment where all children are listened to, can express their views and are understood whatever their preferred communication;
- Be challenged to achieve their best through excellent teaching, a comprehensive curriculum and a wide variety of experiences from Early Years to 16 Plus;
- Work in an environment that encourages lifelong learning, and equips children and young people with the tools and skills to achieve;
- Be tolerant and inclusive, so all children and young people are able to build effective relationships based on empathy, friendship and respect;
- Have access to excellent communication support.

MAIN ACTIVITIES UNDERTAKEN TO FURTHER THE CHARITY'S PURPOSES FOR THE PUBLIC BENEFIT

The trustees confirm that they have paid due regard to the Charity Commission's guidance on public benefit, including the guidance contained in the document 'Public Benefit: Running a Charity (PB2)'.

ACHIEVEMENTS AND PERFORMANCE

Review of activities

The School continues to accelerate towards its goal to be the best provider of education and care for deaf children and young people. In March Ofsted Education judged the school as a solid good with elements of outstanding practice. More recently Ofsted Care judged the school to be outstanding across all inspection headings. Safeguarding was noted as a strength of the School, the promotion of independence rated as exceptional and worthy of wider dissemination.

Restricted and designated funds provided opportunities to realise the wishes of children and young people for a contemporary space to live and learn in. Grants to upgrade IT facilities, build an outdoor multi use games area and educational visits to Europe had a positive, significant impact upon the experiences of learners and their life chances. Grants specifically aimed at ensuring the campus remains safe, fit for purpose and up-to-date helped towards essential repairs to the roof and improvements to the provision of facilities.

Children and Young people from relatively disadvantaged socio economic groups enjoyed Pupil Premium funding. Interventions were deliberately focused on individual need and circumstance and designed to complement each other. As a result learners:

- Participated in individual programmes of therapy improving their engagement in teaching and learning;
- Enjoyed additional resources to sustain good progress in English through guided reading and accelerated reading initiatives;
- Took part in a greater range of wider life experiences they might ordinarily find difficult to access, and enhanced their vocabulary and emotional literacy at the same time;
- Made a steady improvement in progressing their maths skills through a number of pre-teaching strategies such as one to one support and activities aimed at creating a problem solving culture across the school.

Primary Department used their PE and Sports Premium funding to enhance the scope and meaning of the curriculum for all pupils. Outcomes were measurable across all key conditions of the grant including:

- Swimming and water safety, including the use of a therapy pool for children who have additional needs that impact on their ability to swim;
- Above the minimum participation in physical activities throughout the school day including, cycling, dance, gymnastics and booster swimming sessions;
- Raising the profile of PE and sport across the school as a tool for whole school. This included twelve children from years five and six taking part in a Derby City Community Trust pilot scheme to help children manage stress and anxiety through improving confidence and self- esteem;
- Building the confidence, knowledge and skills of all staff teaching PE and sport;
- Offering a broader experience of a range of sports and activities to pupils including those with complex special educational needs and gifted and talented children. This year residential opportunities at Dukes Barn successfully challenged children of all abilities to canoe and rock climb;
- Participation in both specialist and mainstream competitions including those offered by Panathlon

This year Sudbury Museum of Childhood joined the School's extended 125th birthday celebrations with an exhibition narrating the experiences of deaf children since the School was established to the present day. New opportunities for young people to gain paid employment arose through Project Search working in partnership with Derby and Burton Hospitals Trust. Collaboration with the wider business community helped rejuvenate the Primary playground areas, deliver bespoke employability advice and enhance teaching and learning through funding whole school activities linked to the curriculum.

FINANCIAL REVIEW

Trustees are reassured to see the School maintain a better than break even position each year and delighted to see a healthy surplus carried forward from this year into the next financial year. Current reserves, improved fee income, outstanding results from key regulators, a fairer fee structure, a qualified, competent, confident staff team and relentless focus on the quality of provision are driving financial sustainability.

The number of requests for pupil placements are increasing as trust and confidence in the School grows. Prospective pupil visits and assessments from new placing authorities are widening the scope of the provision, adding to the number of commissioning authorities. Continuous refinement to the assessment of a pupil's need by a range of in-house experts provides a robust rationale for individualised placement fees adding transparency to the fee structure and enabling the School to deliver the best outcomes for each learner.

Fee income and staff expenditure remain the two key financial indicators. A fraction of the rise in employment costs and liabilities this year have been offset by grants towards unanticipated rises set out in the School Teachers Pay and Conditions Document. Uplifts to the national minimum wage and the wider children's workforce accurately budgeted for. Trustees are pleased to see a slight underspend overall though note grants available in the year and next year, especially those towards teacher pay and pension rises, are time limited.

Essential campus repairs and routine maintenance represent substantial costs. Grants towards the ongoing maintenance of the premises were used effectively to offset planned expenditure on roof repairs however unforeseeable emergency repairs to water and fire systems led to significant variances in the budget in the year. A programme of capital expenditure projects phased over a five year period is in place with priority projects determined by a comprehensive analysis of risk and mitigation to help plan ahead.

After careful consideration a reserves policy is in practice and a reserves target in place. The policy takes a reflexive approach to help balance the need to both spend and save money. Excellent progress towards reaching the target amount is apparent this year. Contributions to reserves are reviewed annually in light of audited accounts.

As an educational charity the school is unable to reclaim VAT input tax on our costs as we are exempt for tax purposes. We also pay tax as an employer through the national insurance contributions we make

GOING CONCERN

After making appropriate enquiries, the trustees reasonably expect the Charity has sufficient resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

PRINCIPAL FUNDING

Pupil fees received from the Education and Skills Funding Agency and Local Authorities represent the largest part of incoming resources. In the year to 31 August 2020 this amounted to 90% of total incoming resources.

RESERVES AND INVESTMENT POLICIES

The unrestricted funds shown on the balance sheet at the year end represent the free reserves of the charitable company. The trustees are pleased to see continued growth in the free reserves this year. Trustees acknowledge this trend must continue to enable the School to respond independently to material fluctuations in its operating commitments but are aware that the RSDD 2016 Property Trust holds more than sufficient reserves for this purpose.

Last year trustees stated their aim to reach £0.9m - £1.3m in reserves. Rapid progress made this year in meeting target levels. Total reserves are £1,432,132 of which fixed assets are £571,921. Of the remaining £860,211, £29,705 relates to restricted fund

Trustees follow a policy of maintaining the investment of the charity in readily realisable, low risk cash products. Investments are held in accordance with the trustees' powers and investment & reserves policies are reviewed annually in conjunction with the appointed investment managers.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The charitable company is a company limited by guarantee, governed by its Memorandum and Articles of Association and a Board of Governors. The Governors operate subject to a Scheme of Delegation approved by Trustees.

The charitable company operates Royal School for the Deaf Derby, a non maintained special school approved for the education of deaf and hearing impaired pupils aged 3 to 19.

Method of appointment or election of Trustees

The trustees of the charitable company constitute directors for Companies Act purposes. One third of trustees retire by rotation annually and may also be reappointed. The charitable company may otherwise by ordinary resolution appoint a trustee to either fill a casual vacancy or as an additional trustee. Appointment of additional trustees is subject to the unanimous approval of existing trustees who may seek out or advertise for additions to their number in order to enhance the skills and diversity of their Board.

The board of governors takes a strategic view of the school's policies and objectives. Progress and achievement in key functional and operational areas are subject to more detailed monitoring and evaluation by governors' committees that meet at least once per academic term. Discrete committees meet in addition to full board meetings and have responsibilities under the following headings:

- Resources (including Finance, Human Resources, Premises and Health & Safety)
- Pupil Wellbeing & Attainment

In addition to governor representation at these meetings, the chair of the governing body is invited to attend all trustee meetings. As well as general responsibilities, each governor is expected to have or adopt an area of special interest relevant to the school's operation and new governor recruitment is focused on the specialisms needed. The complement of the governing body is subject to annual ratification by trustees. The governors may co opt additional members to enhance any of the committee's capabilities. New governors benefit from an induction process, are encouraged to access training and support through the Derby City governor programme and development sessions provided by the School’s Improvement Officer tailored to the Governing Body’s strategic plans and the regulatory framework.

Organisational structure and decision making

Responsibility for the day to day organisation, management and control of the school lies with its senior leadership team (SLT) led by the Headteacher and is made up of a Deputy Headteacher Achievement, Deputy Head Care & Guidance and Assistant Headteacher Early Years Foundation Stage/Primary. Staffing budgets are devolved to members of the SLT as set out in their role specifications. The Headteacher has overall responsibility for managing the SLT and the running of the school. The performance management of the Headteacher is conducted by a specialist consultant together with the chair of the governing body. The performance management of other members of the leadership team is the responsibility of the Headteacher. Pay for members of the senior leadership team has been set on the advice of an external consultant, having reference to the School Teachers' Pay and Conditions Document England & Wales. The pay of teaching staff is set by reference to the same Document and the pay of non teaching staff ordinarily determined by reference to the Pay scales and Allowances of the National Joint Council for Local Government Services together with practice in the sector. In all cases pay is tied to performance through performance management activities.

RISK MANAGEMENT

Governors and Trustees review the risks facing the school by taking on the role of critical friends, monitoring income and expenditure, movements in restricted funds, cash flow forecasts, key financial indicators, annual budgets, School self-assessment plans, pupil wellbeing and attainment. An at a glance overview is available to trustees via a balanced scorecard which provides a comprehensive overview of performance. Individual governors are assigned to scrutinise and report on particular operational risk areas through the Committees listed above.

Last year, under the heading of Future Developments, Trustees said they intended to discuss and agree an approach to reserves capable of mitigating known risks and adding momentum to the school's ambition to become a leader in the field of deaf education. Squaring these two priorities was a challenge but proved do-able. A policy is now in place and in practice.

Health and Safety issues are a permanent feature of the Resources Committee Agenda. The declaration of any conflicts of interest is required before the start of all Trustee, Governor and Committee meetings.

Any material safeguarding issues are notified at all trustee and governing body meetings and initially reviewed in detail by the Pupil Wellbeing Committee. There is a safeguarding team comprised of qualified and competent members of school staff, led by the Deputy Head Care & Guidance who is the Designated Safeguarding Lead. Safeguarding policy and practice is scrutinised by a dedicated safeguarding governor. Governors ensure that one of their number always acts as Safeguarding Governor and receives appropriate training.

The financial well being of the organisation is intimately tied to the maintenance and development of pupil numbers at suitable fee levels. The Headteacher and Finance Committee are required to pay particular attention to this need.

The school is a member of the National Association of Special Schools, a body representing the interests of non maintained and independent special schools. It also works closely with Derby City Council in addressing issues of mutual interest in the arena of the provision and development of special education for deaf learners.

PLANS FOR FUTURE PERIODS

Future developments

The next milestone in the School's aspiration to be an outstanding provider is to mirror the Ofsted Care judgement at its next Ofsted Education visit. A renewed regulatory framework placing the learner at the heart of everyday practice puts the school in a prime position to achieve this goal. Fine tuning the curriculum to ensure it meets and wherever possible exceeds stakeholder expectations together with a continuing drive to improve the quality of teaching and learning are crucial. Ensuring measurable success criteria by which the Governing Body can accurately measure success of senior leaders, a whole school focus on driving up literacy in particular reading and giving children and young people with complex needs the confidence and know-how to manage their own behaviour are also areas for development. A whole school wellbeing initiative was launched in September 2019 in a bid to gain formal accreditation and mark the School's commitment to staff and learner wellbeing.

Restricted and designated funds continue to enhance the experiences of children and young people adding value for money to placement fees at no additional cost to placing partners. Trips to other European countries are organised. Germany is the next destination following successful trips to France and Norway in previous years. Collaboration with local businesses to exploit opportunities for children and young people to enjoy and achieve continue. Funds towards delivering activity days based on curriculum subjects including IT, independent living skills, wellbeing and problem solving are timetabled over the academic year. The School is excited to learn a children's book telling the story of RSD Derby is soon to be published.

Planned improvements to the campus led by student councils and those pinpointed by a capital expenditure plan include modernisation of the toilets in secondary school, a major chunk of roof repair, maintenance of paths and upgrading IT hardware now the underpinning infrastructure is in place. A rolling programme of redecoration and refurbishment reflects the wishes of children and young people for a modern environment. The A38 Junctions Improvement Scheme will also impact on the campus. The school is determined to ensure children's wishes to keep their leafy green campus are represented together with their insistence on an environmentally friendly eco-boundary.

Wider debates about the future provision for pupils with Special Educational Needs and Disabilities (SEND) have yet to reach consensus. The School welcomes the opportunity to participate in discussions through the National Association of Special Schools. Royal School for the Deaf Derby is heartened by the findings of the National Audit Office report on support for pupils with SEND (11 September 2019) which evidences increased spend on children and young people with SEND flows directly from an increased number of places needed, not poor value for money. The report also highlights the need to work together to share expertise. This is exactly what the School is doing and plans to do more of in the year ahead.

Trustees' responsibilities statement

The Trustees (who are also directors of Royal School for the Deaf Derby for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 the incoming resources and application of resources, including the income and expenditure, of the charitable company 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;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

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

This report was approved by the Trustees and signed on their behalf by:

Mr J A B Ottewell

Date: 27 January 2021

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROYAL SCHOOL FOR THE DEAF DERBY

Opinion

We have audited the financial statements of Royal School for the Deaf Derby (the 'charity') for the year ended 31 August 2020 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 and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 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.

Basis for opinion

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

Conclusions relating to going concern

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROYAL SCHOOL FOR THE DEAF DERBY (CONTINUED)

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROYAL SCHOOL FOR THE DEAF DERBY (CONTINUED)

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

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

Wayne Thomas ACA (Senior Statutory Auditor)
for and on behalf of
Bates Weston Audit Ltd
Statutory Auditors
Chartered Accountants
The Mills

Canal Street
Derby
DE1 2RJ

9 February 2021

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 AUGUST 2020

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
Income from:					
Donations and legacies	2	**156,556**	**118,122**	**274,678**	*404,995*
Charitable activities	3	**4,224,686**	**-**	**4,224,686**	*3,946,535*
Other income		**7,460**	**-**	**7,460**	*9,320*
Total income		**4,388,702**	**118,122**	**4,506,824**	*4,360,850*
Expenditure on:					
Charitable activities	4	**3,967,315**	**113,694**	**4,081,009**	*4,166,234*
Total expenditure		**3,967,315**	**113,694**	**4,081,009**	*4,166,234*
Net income		**421,387**	**4,428**	**425,815**	*194,616*
Transfers between funds	13	**619**	**(619)**	**-**	*-*
Net movement in funds		**422,006**	**3,809**	**425,815**	*194,616*
Reconciliation of funds:					
Total funds brought forward		**615,352**	**390,965**	**1,006,317**	*811,701*
Net movement in funds		**422,006**	**3,809**	**425,815**	*194,616*
Total funds carried forward		**1,037,358**	**394,774**	**1,432,132**	*1,006,317*

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

The notes on pages 15 to 30 form part of these financial statements.

BALANCE SHEET
AS AT 31 AUGUST 2020

	Note		2020 £		*2019 £*
Fixed assets					
Tangible assets	8		**571,921**		*606,443*
Investments	9		**607,698**		*-*
			1,179,619		*606,443*
Current assets					
Debtors	10	**294,971**		*124,807*	
Investments	11	**201,144**		*546,800*	
Cash at bank and in hand		**289,075**		*404,729*	
		785,190		*1,076,336*	
Creditors: amounts falling due within one year	12	**(532,677)**		*(676,462)*	
Net current assets			**252,513**		*399,874*
Total net assets			**1,432,132**		*1,006,317*
Charity funds					
Restricted funds	13		**394,774**		*390,965*
Unrestricted funds	13		**1,037,358**		*615,352*
Total funds			**1,432,132**		*1,006,317*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Mr J A B Ottewell

Date: 27 January 2021

The notes on pages 15 to 30 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	2020 £	*2019* *£*
Cash flows from operating activities		
Net cash used in operating activities	**146,388**	*578,572*
Cash flows from investing activities		
Purchase of tangible fixed assets	**-**	*(88,008)*
Net cash provided by/(used in) investing activities	**-**	**(88,008)**
Change in cash and cash equivalents in the year	**146,388**	**490,564**
Cash and cash equivalents at the beginning of the year	**951,529**	*460,965*
Cash and cash equivalents at the end of the year	**1,097,917**	*951,529*

The notes on pages 15 to 30 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Royal School for the Deaf Derby meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Company status

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

1.3 Income

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

For legacies, entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Charity, or the Charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Pupil fee income represents fees invoiced to Local Authorities for educational purposes supplied during the year and recognised in the period to which it relates, together with "core" pupil funding from the Educational and Skills Funding Agency, recognised when it is received.

The charitable company also receives grants for educational purposes resulting from initiatives by the Department for Education and Skills.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the school. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

1. Accounting policies (continued)

1.4 Expenditure

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

Expenditure on charitable activities includes the cost of education activities undertaken to further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

1.5 Taxation

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

1.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Leasehold property includes the cost of any building improvements to leased land.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Leasehold property	- 50 years
Motor vehicles	- 4 years
Fixtures and fittings	- 5 years

1.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as ‘Gains/(Losses) on investments’ in the Statement of Financial Activities.

1. Accounting policies (continued)

1.8 Operating leases

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

1.9 Pensions

The School participates in a multi employer defined benefits pension scheme, "The Teachers' Pension Scheme (England and Wales)", for its teachers. As a result it is not possible or appropriate to identify the assets and liabilities of the Scheme which are attributable to the School. In accordance with Financial Reporting Standard 102 therefore, the Scheme is accounted for as a defined contribution scheme. The Scheme is managed by the Department of Education.

The charity operates a defined contributions arrangement for its non-teaching staff in terms of group personal pension plans.

Contributions to both schemes are charged in the Statement of financial activities (incorporating income and expenditure account) as they become payable in accordance with the rules of the Scheme.

1.10 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2. Income from donations and legacies

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
Donations	5,799	-	**5,799**	*22,685*
Grants	150,757	118,122	**268,879**	*382,310*
	156,556	118,122	**274,678**	*404,995*
Total 2019	*170,401*	*234,594*	*404,995*	

3. Income from charitable activities

	Unrestricted funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
Pupil fee income	4,224,686	**4,224,686**	*3,946,535*

4. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
Staffing costs	2,834,223	48,386	**2,882,609**	*2,791,682*
Education and pupil support costs	375,861	9,051	**384,912**	*424,612*
Campus and property costs	489,796	56,257	**546,053**	*672,143*
Administration costs	211,258	-	**211,258**	*217,285*
Governance costs	56,177	-	**56,177**	*60,512*
	3,967,315	113,694	**4,081,009**	*4,166,234*
Total 2019	*3,943,090*	*223,144*	*4,166,234*	

4. Analysis of expenditure on charitable activities (continued)

Summary by fund type (continued)

Summary by expenditure type

	Staff costs 2020 £	Depreciation 2020 £	Other costs 2020 £	**Total funds 2020 £**	*Total funds 2019 £*
Staffing costs	2,793,205	-	89,404	**2,882,609**	*2,791,682*
Education and pupil support costs	-	-	384,912	**384,912**	*424,612*
Campus and property costs	-	30,791	515,262	**546,053**	*672,143*
Administration costs	-	-	211,258	**211,258**	*217,285*
Governance costs	-	-	56,177	**56,177**	*60,512*
	2,793,205	30,791	1,257,013	**4,081,009**	*4,166,234*
Total 2019	*2,671,904*	*80,792*	*1,413,538*	*4,166,234*	

5. Auditors' remuneration

	2020 £	*2019 £*
Auditors' remuneration	**6,700**	*6,500*
Fees payable to the Charity's auditor in respect of:		
Non-audit services	**8,000**	*11,500*

6. Staff costs

	2020 £	*2019 £*
Wages and salaries	**2,326,744**	*2,292,775*
Social security costs	**202,854**	*191,118*
Other pension costs	**263,607**	*188,011*
	2,793,205	*2,671,904*

6. Staff costs (continued)

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

	2020	*2019*
Academic	**27**	*27*
Residential care	**12**	*10*
Learning support	**48**	*41*
Corporate & technical services	**31**	*30*
	118	*108*

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

	2020 **No.**	*2019* *No.*
In the band £70,001 - £80,000	**1**	*1*

Key management personnel during the year comprised the Senior Leadership Team who received total remuneration and benefits of £267,757 (2019 - £245,496).

7. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2019 - £NIL)*.

During the year, no Trustee expenses have been incurred *(2019 - £NIL)*.

8. Tangible fixed assets

	Long-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Total £
Cost				
At 1 September 2019	**609,195**	**79,150**	**1,538,879**	**2,227,224**
At 31 August 2020	**609,195**	**79,150**	**1,538,879**	**2,227,224**
Depreciation				
At 1 September 2019	**86,617**	**79,150**	**1,455,014**	**1,620,781**
Charge for the year	**12,184**	**-**	**22,338**	**34,522**
At 31 August 2020	**98,801**	**79,150**	**1,477,352**	**1,655,303**
Net book value				
At 31 August 2020	**510,394**	**-**	**61,527**	**571,921**
At 31 August 2019	*522,578*	*-*	*83,865*	*606,443*

9. Fixed asset investments

	Cash held on long-term deposits £
Valuation	
Additions	**607,698**
At 31 August 2020	**607,698**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

10. Debtors

	2020 £	2019 £
Trade debtors	**180,418**	*55,246*
Due from connected charity	**36,874**	*9,628*
Other debtors	**81**	*81*
Prepayments and accrued income	**77,598**	*59,852*
	294,971	*124,807*

11. Current asset investments

	2020 £	2019 £
Cash on deposit	**201,144**	*546,800*

12. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	**235,114**	*267,438*
Other taxation and social security	**46,211**	*46,573*
Other creditors	**9,665**	*59,585*
Accruals and deferred income	**241,687**	*302,866*
	532,677	*676,462*

	2020 £	2019 £
Deferred income at 1 September 2019	**230,775**	*130,262*
Resources deferred during the year	**161,709**	*230,775*
Amounts released from previous periods	**(230,775)**	*(130,262)*
Deferred income as at 31 August 2020	**161,709**	*230,775*

Deferred income includes fees charged for pupils of £47,659, ESFA grant funding totalling £109,651 and other income of £4,399.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

13. Statement of funds

Statement of funds - current year

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2020 £
Unrestricted funds					
Designated funds					
Children's Fund	**5,016**	**-**	**-**	**-**	**5,016**
Fundraising	**369**	**2,555**	**(549)**	**-**	**2,375**
Tuck Shop	**266**	**919**	**(859)**	**-**	**326**
	5,651	**3,474**	**(1,408)**	**-**	**7,717**
General funds					
General funds	**609,701**	**4,385,228**	**(3,965,907)**	**619**	**1,029,641**
Total Unrestricted funds	**615,352**	**4,388,702**	**(3,967,315)**	**619**	**1,037,358**
Restricted funds					
Leasehold Building Funds	**346,752**	**-**	**(8,454)**	**-**	**338,298**
Greggs	**-**	**1,250**	**-**	**-**	**1,250**
Devolved Capital Grant	**20,862**	**8,016**	**(6,546)**	**-**	**22,332**
NMSS Maintenance Grant	**-**	**42,271**	**(42,271)**	**-**	**-**
Pupil Premium Receipts	**6,385**	**45,314**	**(38,939)**	**-**	**12,760**
Sports Premium Grant	**2,008**	**16,320**	**(11,464)**	**-**	**6,864**
European Visits Fund	**7,960**	**1,900**	**(3,144)**	**-**	**6,716**
Sponsorship 5 aside	**5,430**	**-**	**-**	**-**	**5,430**
Free School Meals	**-**	**619**	**-**	**(619)**	**-**
Bursary 17-18	**-**	**2,432**	**(2,432)**	**-**	**-**
Foundation Derbyshire	**1,568**	**-**	**(444)**	**-**	**1,124**
	390,965	**118,122**	**(113,694)**	**(619)**	**394,774**
Total of funds	**1,006,317**	**4,506,824**	**(4,081,009)**	**-**	**1,432,132**

13. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2018 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Balance at 31 August 2019* £
Unrestricted funds					
Designated funds					
Children's Fund	*6,277*	*-*	*(1,261)*	*-*	*5,016*
Fundraising	*-*	*4,153*	*(19,465)*	*15,681*	*369*
Tuck Shop	*-*	*1,700*	*(1,434)*	*-*	*266*
	6,277	5,853	(22,160)	*15,681*	*5,651*
General funds					
General funds	*369,539*	*4,120,403*	*(3,920,930)*	*40,689*	*609,701*
Total Unrestricted funds	375,816	4,126,256	(3,943,090)	*56,370*	*615,352*
Restricted funds					
Leasehold Building Funds	*355,204*	*-*	*(8,452)*	*-*	*346,752*
Greggs	*7,816*	*-*	*(7,816)*	*-*	*-*
Devolved Capital Grant	*27,410*	*21,560*	*(24,044)*	*(4,064)*	*20,862*
NMSS Maintenance Grant	*-*	*42,271*	*(42,271)*	*-*	*-*
Pupil Premium Receipts	*8,223*	*55,226*	*(57,064)*	*-*	*6,385*
Sports Premium Grant	*5,274*	*16,370*	*(19,636)*	*-*	*2,008*
Careers Local Grant	*(2,649)*	*11,693*	*(9,044)*	*-*	*-*
European Visits Fund	*5,657*	*3,750*	*(1,447)*	*-*	*7,960*
National Lottery Heritage Fund	*7,770*	*-*	*(4,844)*	*(2,926)*	*-*
Catch up 7	*496*	*-*	*(496)*	*-*	*-*
MUGA	*10,000*	*36,527*	*-*	*(46,527)*	*-*
Sponsorship 5 aside	*5,430*	*-*	*-*	*-*	*5,430*
RSD Development Trust	*1,436*	*-*	*(1,436)*	*-*	*-*
Summer Play Scheme	*2,853*	*-*	*-*	*(2,853)*	*-*
Free School Meals	*-*	*2,932*	*(2,932)*	*-*	*-*
Kelloggs	*965*	*-*	*(965)*	*-*	*-*
Bursary 17-18	*-*	*2,897*	*(2,897)*	*-*	*-*
Foundation Derbyshire	*-*	*4,000*	*(2,432)*	*-*	*1,568*

13. Statement of funds (continued)

Statement of funds - prior year (continued)

	Balance at 1 September 2018 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Balance at 31 August 2019* £
UPS	-	*11,368*	*(11,368)*	-	-
2016 RSDD Property Trust	-	*26,000*	*(26,000)*	-	-
	435,885	234,594	(223,144)	*(56,370)*	*390,965*
Total of funds	*811,701*	*4,360,850*	*(4,166,234)*	-	*1,006,317*

The designated Children's Fund arises from individual unrestricted donations received by the charitable company that are used in the support of pupils in situations of hardship and for the provision of items for residential pupils not normally funded through local authority fees.

The Leasehold buildings fund represents the grant funding received towards the cost of two campus buildings (the Beddoes Science Lab and the Karten Building) less apportioned accumulated depreciation to date. During the year ended 31 August 2016 the cost of the Karten Building was transferred to the charitable company from Derby College for the Deaf People together with the remaining balance of associated restricted funding and liabilities.

The minibus sponsors represent donations from the Variety Club and Lords Taverners Funds towards the cost of two new school minibuses purchased during the year ended 31 August 2016, less depreciation charged.

The closing balance on the DfE Devolved Capital Grant represents the cost of qualifying additions to buildings and equipment less depreciation charges to date.

The NMSS Maintenance Grant is received from the DfE as a contribution towards the upkeep of the premises on non-maintained special schools.

Pupil Premium funding is received from local authorities to be applied towards the educational benefit of named disadvantaged learners.

The Sport Premium Fund is the unexpired portion of an ESFA Grant received for the benefit of sporting activities in the school's Primary Department.

The Careers local grant allowed young people to access a range of extra curricular opportunities to enhance their life choices and ensure the best possible transition into employment, further education or training programmes.

The balance of the European Educational Visits Fund is the unused portion of British Council funding for European pupil exchange visits, carried forward to future periods.

National Lottery was a grant towards ongoing celebrations of the school's 125th anniversary and the shared language, culture, heritage and experiences of Deaf children and adults in the wider community

The MUGA was a successful application to Sports England for an Exchequer Award of £25,832 together with funding from a number of grants namely the Garfield Weston Foundation, the Beatrice Laing Foundation, Healthy Pupils grant and the Peter Harrison Foundation enabled the School to match the Exchequer Award and build an outside all weather Multi Use Games Area (MUGA) to be enjoyed by children and young people of all ages across the school. The facility can also be shared with the wider community including other schools and groups.

The Free School Meals Grant has been used to mitigate the cost of providing food for appropriately aged pupils in the school's Primary Department.

The Bursary Fund is received from the ESFA to assist needy Post 16 learners with their course expenses and is distributed at the school's discretion.

The UPS fund is where the School successfully bid for a grant to modernise the common room and kitchen enjoyed by young people in the Post 16 department.

The RSDD Property Trust was a generous donation towards the repair and upgrade of the School's IT infrastructure to allow further improvements to IT literacy and teaching and learning in all subject areas for all children and young people.

14. Summary of funds

Summary of funds - current year

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2020 £
Designated funds	**5,651**	**3,474**	**(1,408)**	**-**	**7,717**
General funds	**609,701**	**4,385,228**	**(3,965,907)**	**619**	**1,029,641**
Restricted funds	**390,965**	**118,122**	**(113,694)**	**(619)**	**394,774**
	1,006,317	**4,506,824**	**(4,081,009)**	**-**	**1,432,132**

14. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 September 2018 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Balance at 31 August 2019* £
Designated funds	*6,277*	*5,853*	*(22,160)*	*15,681*	*5,651*
General funds	*369,539*	*4,120,403*	*(3,920,930)*	*40,689*	*609,701*
Restricted funds	*435,885*	*234,594*	*(223,144)*	*(56,370)*	*390,965*
	811,701	*4,360,850*	*(4,166,234)*	*-*	*1,006,317*

15. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	**Restricted funds 2020 £**	**Total funds 2020 £**
Tangible fixed assets	223,533	348,388	**571,921**
Fixed asset investments	607,698	-	**607,698**
Current assets	738,804	46,386	**785,190**
Creditors due within one year	(532,677)	-	**(532,677)**
Total	1,037,358	394,774	**1,432,132**

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	*Restricted funds 2019* £	*Total funds 2019* £
Tangible fixed assets	245,183	361,260	*606,443*
Current assets	1,046,631	29,705	*1,076,336*
Creditors due within one year	(676,462)	-	*(676,462)*
Total	615,352	390,965	*1,006,317*

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

	2020 £	*2019* *£*
Net income for the period (as per Statement of Financial Activities)	**425,815**	*194,616*
Adjustments for:		
Depreciation charges	**34,522**	*80,793*
Movement in debtors	**(170,164)**	*34,478*
Movement in creditors	**(143,785)**	*268,685*
Net cash provided by operating activities	**146,388**	*578,572*

17. Analysis of cash and cash equivalents

	2020 £	*2019* *£*
Cash in hand	**289,075**	*404,729*
Investments	**808,842**	*546,800*
Total cash and cash equivalents	**1,097,917**	*951,529*

18. Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	**404,729**	**(115,654)**	**289,075**
Cash equivalents	**546,800**	**262,042**	**808,842**
	951,529	**146,388**	**1,097,917**

19. Pension commitments

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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

The pension charge for the year includes contributions payable to the TPS of £209,596 (2019 - £140,443). At the year-end £9,665 (2019 - £18,083) was accrued in respect of contributions to this scheme. The Charity also runs a scheme for its non-teaching staff under which defined contributions are paid into a group personal pension arrangement. The cost for the year represents the School's contributions to that Scheme of £54,011 (2019 - £47,568).

VALUATION OF THE TEACHERS' PENSION SCHEME

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

- employer contribution rates set at 23.68% of pensionable pay, including a 0.08% employer administration charge
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million;
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations; and
- the assumed real rate of return is 2.8% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return is 4.45%.

The TPS valuation for 2016 determined an employer rate of 23.68%, which was payable from 1 September 2019.

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

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

20. Operating lease commitments

At 31 August 2020 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	*2019* *£*
Not later than 1 year	**15,563**	*6,103*
Later than 1 year and not later than 5 years	**15,696**	*24,949*
	31,259	*31,052*

21. Related party transactions

	2020	*2019*
Included within restricted grants receivable	**-**	*26,000*
Included in debtors at the year-end	**36,874**	*9,628*
	36,874	*35,628*

22. Controlling party

The Trustees consider there to be no ultimate controlling party.