
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
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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

ROYAL SCHOOL FOR THE DEAF DERBY
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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

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TRUSTEES' REPORT (CONTINUED)
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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

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

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.

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TRUSTEES' REPORT (CONTINUED)
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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

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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 than 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

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FOR THE YEAR ENDED 31 AUGUST 2023

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

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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.

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

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:

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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 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
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**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.

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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
		<u>8,333,415</u>	<u>8,372,141</u>
Current assets			
Debtors	11	230,039	124,573
Investments	12	151,427	51,224
Cash at bank and in hand		124,480	589,677
		<u>505,946</u>	<u>765,474</u>
Creditors: amounts falling due within one year	13	(387,623)	(535,508)
Net current assets		<u>118,323</u>	<u>229,966</u>
Total net assets		<u><u>8,451,738</u></u>	<u><u>8,602,107</u></u>
Charity funds			
Restricted funds	14	48,558	71,027
Unrestricted funds	14	8,403,180	8,531,080
Total funds		<u><u>8,451,738</u></u>	<u><u>8,602,107</u></u>

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.

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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

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

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.

ROYAL SCHOOL FOR THE DEAF DERBY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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.

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

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

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 £	<i>Total funds 2022 £</i>
Donations	91,194	91,194	231,260
Donation from RSDD 2016 Property Trust	-	-	6,511,468
Grants	82,822	82,822	-

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

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

3. Income from charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
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	<u>4,340,409</u>	<u>453,204</u>	<u>4,793,613</u>	<u>4,733,856</u>
<i>Total 2022</i>	<u>4,470,277</u>	<u>263,579</u>	<u>4,733,856</u>	

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 £	<i>Total funds 2022 £</i>
Investment management fees	<u>16,449</u>	<u>16,449</u>	<u>-</u>

ROYAL SCHOOL FOR THE DEAF DERBY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

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
	<u>4,855,171</u>	<u>330,989</u>	<u>5,186,160</u>	<u>4,654,121</u>
<i>Total 2022</i>	<u><u>4,393,097</u></u>	<u><u>261,024</u></u>	<u><u>4,654,121</u></u>	

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
	<u>3,368,061</u>	<u>144,402</u>	<u>1,673,697</u>	<u>5,186,160</u>	<u>4,654,121</u>
<i>Total 2022</i>	<u><u>3,065,689</u></u>	<u><u>140,671</u></u>	<u><u>1,447,761</u></u>	<u><u>4,654,121</u></u>	

ROYAL SCHOOL FOR THE DEAF DERBY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

6. Auditors' remuneration

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

7. Staff costs

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

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

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

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

	2023	<i>2022</i>
	No.	<i>No.</i>
In the band £60,001 - £70,000	1	<i>-</i>
In the band £80,001 - £90,000	1	<i>1</i>

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).

ROYAL SCHOOL FOR THE DEAF DERBY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

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

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

**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
	<u>230,039</u>	<u>124,573</u>

12. Current asset investments

	2023 £	2022 £
Cash on deposit	151,427	51,224
	<u>151,427</u>	<u>51,224</u>

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
	<u>387,623</u>	<u>535,508</u>

	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	<u>116,556</u>	<u>117,051</u>

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

ROYAL SCHOOL FOR THE DEAF DERBY
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**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
	<u>2,470,714</u>	<u>13,171</u>	<u>(7,225)</u>	<u>105,674</u>	<u>-</u>	<u>2,582,334</u>
General funds						
General funds	<u>6,060,366</u>	<u>4,572,900</u>	<u>(4,864,395)</u>	<u>39,010</u>	<u>12,965</u>	<u>5,820,846</u>
Total Unrestricted funds	<u>8,531,080</u>	<u>4,586,071</u>	<u>(4,871,620)</u>	<u>144,684</u>	<u>12,965</u>	<u>8,403,180</u>
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

ROYAL SCHOOL FOR THE DEAF DERBY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

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	-	-
	<u>71,027</u>	<u>453,204</u>	<u>(330,989)</u>	<u>(144,684)</u>	<u>-</u>	<u>48,558</u>
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

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

14. Statement of funds (continued)

Statement of funds - prior year (continued)

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2022 £</i>
	<u>4,815</u>	<u>8,003</u>	<u>(2,854)</u>	<u>2,613,826</u>	<u>(153,076)</u>	<u>2,470,714</u>
General funds						
General funds	<u>1,516,157</u>	<u>11,225,271</u>	<u>(4,390,243)</u>	<u>(2,290,819)</u>	<u>-</u>	<u>6,060,366</u>
Total Unrestricted funds	<u>1,520,972</u>	<u>11,233,274</u>	<u>(4,393,097)</u>	<u>323,007</u>	<u>(153,076)</u>	<u>8,531,080</u>
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

ROYAL SCHOOL FOR THE DEAF DERBY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

14. Statement of funds (continued)

Statement of funds - prior year (continued)

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

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.

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**NOTES TO THE FINANCIAL STATEMENTS
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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
	<u>8,602,107</u>	<u>5,039,275</u>	<u>(5,202,609)</u>	<u>-</u>	<u>12,965</u>	<u>8,451,738</u>

ROYAL SCHOOL FOR THE DEAF DERBY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

15. Summary of funds (continued)

Summary of funds - prior year

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2022 £</i>
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
	<u>1,912,451</u>	<u>11,496,853</u>	<u>(4,654,121)</u>	<u>-</u>	<u>(153,076)</u>	<u>8,602,107</u>

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	<u>8,403,180</u>	<u>48,558</u>	<u>8,451,738</u>

ROYAL SCHOOL FOR THE DEAF DERBY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

16. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
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

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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

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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.