

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**

**(A company limited by guarantee)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2022**

---

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
**(A company limited by guarantee)**

---

**CONTENTS**

---

	Page
<b>Reference and administrative details</b>	1 - 2
<b>Trustees' report</b>	3 - 20
<b>Governance statement</b>	21 - 24
<b>Statement on regularity, propriety and compliance</b>	25
<b>Statement of trustees' responsibilities</b>	26
<b>Independent auditor's report on the financial statements</b>	27 - 30
<b>Independent reporting accountant's report on regularity</b>	31 - 32
<b>Statement of financial activities incorporating income and expenditure account</b>	33 - 34
<b>Balance sheet</b>	35 - 36
<b>Statement of cash flows</b>	37
<b>Notes to the financial statements</b>	38 - 76

---

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
(A company limited by guarantee)

---

**REFERENCE AND ADMINISTRATIVE DETAILS**

---

**Members**

P Burns (resigned 8 December 2021)  
H Thomas  
G Ball (appointed 8 December 2021)  
E Conway (appointed 26 July 2022)  
A McKerracher (Armstrong) (appointed 4 August 2022)  
The Schools of King Edward VI in Birmingham

**Trustees**

S Roberts, Chair  
D Wheeldon, Vice Chair  
P Burns (resigned 24 January 2022)  
T Clarke (resigned 7 December 2021)  
G Dupree (resigned 31 December 2021)  
F Kinkhabwala  
B Matthews  
A McKerracher (resigned 6 September 2022)  
R Palmer (resigned 13 October 2021)  
C Ricks (resigned 6 September 2022)  
L Roan  
R Stephen (resigned 7 March 2022)  
H Thomas  
L Williams (appointed 23 March 2022)  
S Ryder (appointed 16 May 2022)  
J Lennon (appointed 1 September 2022)

**Company registered number**

10654935

**Company name**

King Edward VI Academy Trust Birmingham

**Principal and registered office**

Foundation Office  
Edgbaston Park Road  
Birmingham  
West Midlands  
B15 2UD

---

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
**(A company limited by guarantee)**

---

**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

---

**Company secretary**

D Canton

**Executive team**

J Dhesi, Chief Executive Officer and Accounting Officer  
T Rowland, Director of Finance and Operations  
G Langston, Director of Finance – appointed 1 August 2022  
S Cunningham, Director of HR  
J Waddington, Director of Education – appointed 4 April 2022

**Senior management team**

M Brady, Headteacher - King Edward VI Aston School  
D McGarvey, Headteacher - King Edward VI Balaam Wood Academy  
R Bowen, Headteacher - King Edward VI Camp Hill School for Boys  
L Johnson, Headteacher - King Edward VI Camp Hill School for Girls  
C Jordan, Headteacher - King Edward VI Five Ways School  
A Whittall, Headteacher - King Edward VI Handsworth School for Girls  
R Elcocks, Headteacher - King Edward VI Sheldon Heath Academy  
S Bird, Headteacher - King Edward VI Handsworth Grammar School for Boys  
Q Riaz, Headteacher - King Edward VI Handsworth Wood Girls' Academy  
N Jones, Headteacher - King Edward VI Northfield School for Girls

**Independent auditor**

Crowe U.K. LLP  
Black Country House  
Rounds Green Road  
Oldbury  
West Midlands  
B69 2DG

**Bankers**

Lloyds Bank  
Solihull Business Centre – GLC  
Creynolds Lane  
Shirley  
Solihull  
B90 4ES

**Solicitors**

Stone King LLP  
Colmore Gate  
2-6 Colmore Row  
Birmingham  
B3 2QD

---

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
**(A company limited by guarantee)**

---

**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

---

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The Academy Trust operates ten Academies, six selective and four non-selective, for pupils aged 11 to 18 serving the City of Birmingham. Its Academies had a combined pupil capacity of 9690 and had a roll of 9921 in the school census in October 2021.

**Structure, governance and management**

**a. Constitution**

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

It is governed by its Memorandum and Articles of Association.

The Trustees of the Academy Trust are also the directors of the charitable company for the purposes of company law.

The charitable company operates as King Edward VI Academy Trust Birmingham.

Details of the Trustees who served during the year, and to the date these accounts are approved, are included in the Reference and Administrative Details.

**b. Members' liability**

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

**c. Trustees' indemnities**

The Academy Trust, through its insurance provision, indemnifies the Trustees' against claims made arising from negligent acts, errors or omissions whilst on Academy Trust business. The insurance provides cover up to £1,000,000 in any one claim.

---

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
**(A company limited by guarantee)**

---

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

---

**Structure, governance and management (continued)**

**d. Method of recruitment and appointment or election of Trustees**

The number of Trustees must not be less than three but shall not be subject to any maximum.

The Academy Trust shall have the following Trustees:

- between six and eight Trustees from the Local Governing Bodies ("LGBs") appointed by the Trustees;
- up to six Trustees appointed by the Members;
- a minimum of two Parent Trustees elected or appointed in the event that no LGBs are established; and
- any Co-opted Trustee; provided that at least eight of the Trustees must at all times also be members of the Board of Trustees of the Foundation

In making appointments of Trustees, the Members and Trustees (as the case may be) shall have regard to the need to ensure an appropriate mix of skills on the board, including, but without limitation finance, HR and school improvement.

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

All new Trustees are provided with an induction pack which contains essential documents including the Articles of Association, Decision Making Matrix, Scheme of Governance, Scheme of Financial Delegation and Master Funding Agreement. The new Trustee will meet with the Chair and key Academy Trust personnel.

**f. Organisational structure**

Meetings of the Board of Trustees usually take place seven times throughout the year with extra meetings taking place as required. The Board met seven times in the year under review. The Board receives reports from the ten LGBs on a termly basis. They also receive reports from the undernoted Academy Trust Committees:

- Finance
- Audit
- Curriculum, Standards and Welfare
- HR including separate Equality, Diversity and Inclusion and Staff Liaison Committees
- Joint Strategy

These committees meet regularly throughout the year on a cycle to complement the board meetings. Much of the detailed work is undertaken by the committees as per their terms of reference.

The Accounting Officer of the Academy Trust is the Chief Executive Officer. The Academy Trust has an executive team that oversees day-to-day management.

All Trustees of the Board and Governors of the LGBs are unpaid in their roles.

The Trustees are responsible for the governance and supervision of the Academy Trust, its committees (including the LGBs) and the management of the relationship with the Academy Trust Executive Team (in relation to the provision of services provided to the Academy Trust and the Academies by Foundation Office staff through the Provision of Services Agreement).

---

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
**(A company limited by guarantee)**

---

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

---

**Structure, governance and management (continued)**

The Trustees have a number of duties and responsibilities relating to the management of the Academy Trust and its finances. In summary, the Trustees are responsible for:

- establishing the vision, mission and values for the Academy Trust;
- carrying on the Academy Trust in accordance with the objects of the Academy Trust (as set out in the Articles) and safeguarding the assets of the Academy Trust;
- designing strategy and structure for the operation of the Academy Trust;
- oversight of the operation of the Academies and directing the education, pastoral care, financial and other policies of the Academies in accordance with the Articles and the Funding Agreements (including the ESFA's Academies Financial Handbook);
- ensuring sound management and administration of the Academy Trust, and ensuring that managers are equipped with the relevant skills and guidance;
- financial controls and the financial management of the Academy Trust in accordance with the provisions of the Handbook, which sets out in detail provisions for the financial management of each Academy including guidance on financial systems and controls and accounting and reporting requirements;
- setting standards of conduct and values, monitoring performance and the achievement of objectives, and ensuring that plans for improvement are acted upon;
- risk management, including identifying, quantifying and devising systems to minimise the major risks affecting the Academy Trust; and
- ensuring the activities of the Academy Trust and the Academies are conducted in compliance with the general law.

The role of each Academy LGB is to:

- provide advice to the Trustees on the functioning of that Academy;
- act as a key link between the Academy Trust and the Schools;
- act as a sounding board for the Headteacher and Academy Trust Senior Leadership Team and offer challenging but positive support to the Headteacher;
- continually review the overall impact of the Academy;
- assist with and review the implementation of certain Academy policies, such as student admissions and behaviour;
- set an annual budget for the Academy; and monitor performance against budget in year
- appoint, remove and set the remuneration of the Headteacher.

The LGB is made up of individuals who may or may not also be Trustees in accordance with the Articles. Each Academy has a leadership team in place for day-to-day management.

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

In line with the Academy Trust's Articles, the Academy Trust sponsor, the Schools of King Edward VI in Birmingham (the 'Foundation'), appoints the Chief Executive Officer and donates his Senior Leadership services to the Academy Trust. The Foundation Remuneration Committee sets the pay and remuneration of key leadership posts of the Foundation. The Chair of the Academy Trust is a member of the Remuneration Committee.

---

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
**(A company limited by guarantee)**

---

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

---

**Structure, governance and management (continued)**

**h. Related parties and other connected charities and organisations**

The Academy Trust is sponsored by the Schools of King Edward VI in Birmingham (the 'Foundation') charity. The Foundation has both a governance-based and a contractual relationship with the Academy Trust. For example, the Chair of the Academy Trust's Board of Trustees from time to time is an ex-officio member of the standing committee known as the Joint Strategy Committee (JSC). The JSC: recommends general strategy and a plan for the Foundation and Academy Trust as a whole; recommends educational policy and strategy for the Foundation and Academy Trust as a whole; recommends the allocation and distribution of the Foundation's resources for all purposes, in relation to the above; and keeps under review the role and performance of all the Foundation's schools.

Any recharged central service/senior leadership costs, above those that are donated from the Foundation, are recharged as part of an agreed Service Level Agreement and at no more than cost.

**i. Engagement with employees (including disabled persons)**

A Staff Liaison Committee was formed by the Academy Trust in 2017 and includes representatives (both teaching and non-teaching) from each of the schools within the Trust. The group meets on a termly basis to consider all aspects of the Trust, but in particular those relating to HR matters, and gives all staff a voice on a range of matters.

The Equal Opportunities Policy for the Academy Trust sets out the aims of the Trust to ensure that no job applicant receives less favourable treatment because of a Protected Characteristic. The policy also sets out how the Trust will support as much as possible an employee who becomes disabled and ensure that they are not treated less favourably because of something related to their disability. The Academy Trust has an Equality Diversity and Inclusion (EDI) Committee to progress an equalities agenda with governor and staff representation from across the Academy Trust. A new Equality, Diversity and Inclusion strategy has been signed off by the Academy Trust Board. The five year action plan supporting the strategy will be delivered by committed individuals from across all the schools, including dedicated EDI Leads and EDI Foundation Leaders in Education. Both the Staff Liaison and Equality, Diversity and Inclusion Committees report through the Academy Trust HR Committee.

In accordance with the Academy Trust's Equal Opportunities policy, the Academy Trust has long established fair employment practices in the recruitment, selection, retention, promotion and training of disabled staff.

Full details of these policies are available from the Academy Trust's offices.

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and through the Staff Liaison Committee, staff representatives inform and canvass staff for their views and opinions on employment and people matters. Staff representatives have the opportunity to add items to the agenda for discussion. The Academy Trust carries out exit interviews for staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees. In addition, an experienced HR Partner is assigned to each of the schools, working closely with the head and leadership team to deliver on the school development plan, and to support through change and difficult circumstances.

The Academy Trust HR Committee focuses on strategic and operational HR matters, supporting the work and development of the department and at the same time holding it to account.



---

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
**(A company limited by guarantee)**

---

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

---

**Structure, governance and management (continued)**

**j. Engagement with suppliers, customers and others in a business relationship with the Academy Trust**

The Academy Trust has had regard to the need to foster the company's business relationship with suppliers, customers and others through the implementation of procedures to ensure that regularity, propriety and value for money is maintained for the Trust. The Academy Trust tries to achieve best value for money for all its purchases ensuring that services are delivered in the most economical, efficient and effective way, within available resources.

Wherever possible, the Academy Trust will engage with local businesses, which in turn financially supports the local communities and the families in Birmingham.

The Academy Trust also assesses in advance, where relevant the health and safety competence of contractors, taking account of the Company's policies and procedures.

Payment for supplies and services are made and within 30 days upon receipt of an invoice once it has been confirmed that goods or services have been received and are of the quality expected. Every effort is made to ensure the school benefits from early payment discounts.

**Objectives and activities**

**a. Objects and aims**

The Objects of the Academy Trust (the purposes it exists to further) are:

- to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum ("the mainstream Academies") or educational institutions which are principally concerned with providing full-time or part-time education for children of compulsory school age who, by reason of illness, exclusion from school or otherwise, may not for any period receive suitable education unless alternative provision is made for them ("the alternative provision Academies") or 16 to 19 Academies offering a curriculum appropriate to the needs of its students ("the 16 to 19 Academies") or schools specially organised to make special educational provision for pupils with Special Educational Needs ("the Special Academies"), and
- to promote for the benefit of the inhabitants of the areas in which the Academies are situated the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants

---

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
(A company limited by guarantee)

---

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

---

**Objectives and activities (continued)**

**b. Objectives, strategies and activities**

King Edward VI Academy Trust Birmingham was established in 2017 with an overarching mission to make Birmingham the best place to be educated in the UK. The Academy Trust has grown since its inception, with King Edward VI Handsworth Wood Girls' Academy joining on 1 September 2018, King Edward VI Balaam Wood Academy joining on 1 September 2019, King Edward VI Northfield School for Girls joining on 1 September 2021 and King Edward VI Lordwood School for Girls joining on 1 September 2022. The Academy Trust intends to continue with this growth in line with the new agreed strategy for the next few years.

The core values are:

- Excellence and Opportunity
- Independence and Respect
- Community and Diversity

The pursuit of excellence is central to enable children to fulfil their potential. This is supported by ensuring that the schools meet the challenges that face them through the provision of clear strategies, strong support, scrutiny and good governance.

The main objectives for 2021/22 were to:

1. Work towards achieving the strategic objectives set out in the Strategic Review.
2. Complete the implementation of the Foundation's selected integrated HR and payroll system.
3. Complete the capital projects in King Edward VI Handsworth Girls for Schools and King Edward VI Aston School.
4. Liaise with the Department for Education on the rebuild of King Edward VI Handsworth Wood Girls' Academy.
5. Continue with to grow the Academy Trust by welcoming King Edward VI Lordwood School for Girls into the Trust.

**c. Public benefit**

The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission through the objectives, strategies and activities detailed within this report and when exercising their powers or duties.

---

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
**(A company limited by guarantee)**

---

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

---

**Strategic report**

**Achievements and performance**

The Academy Trust has achieved the following in 2021/22:

1. Approved in April 2021, 2021-22 was the first year of implementation of the Foundation's strategy, with actions taking place to address the following objectives.
  - a. Strategic objective 1 (SO1): Learning with us
    - i. SO1.1 Academic Outcomes and Progress
    - ii. SO1.2 Access and Impact
    - iii. SO1.3 Pathways in Birmingham and Beyond
    - iv. SO1.4 Well-being, Character and Learning Skills
    - v. SO1.5 Curriculum and Resources
    - vi. SO1.6 Foundation Identity
  - b. Strategic objective 2 (SO2): Working with us
    - i. SO2.1 Collaborative Working, Learning and Culture
    - ii. SO2.2 Innovation, Research and Performance
    - iii. SO2.3 Modern Strategy for People
    - iv. SO2.4 Equality, Diversity, and Inclusion
    - v. SO2.5 Efficient Systems and Data
    - vi. SO2.6 Working Environment, Resources and Sustainability
  - c. Strategic objective 3 (SO3): Partnering with us
    - i. SO3.1 Growth and Reputation
    - ii. SO3.2 Educational Partners
    - iii. SO3.3 Civic and Corporate Partners
    - iv. SO3.4 Fund-raising and Support
    - v. SO3.5 Excellence in Governance and Compliance
    - vi. SO3.6 Heritage
2. The Foundation implemented an integrated HR and payroll system iTrent to replace the current systems. This change is not just one of updating the systems being used but one of transforming the way transactional HR services are delivered and consumed across the Academy Trust. It will enable a culture of change in how the Academy Trust captures, stores and manages its people data strategically.
3. The capital projects at King Edward VI Handsworth School for School and King Edward VI Aston School are complete and in full use at the schools. An artificial pitch at King Edward VI Sheldon Academy will be completed by the end of the first half term and planning permission submitted for an extension to their dining provision. King Edward VI Camp Hill School for Boys are still considering the options for their planned new build.
4. The Academy Trust welcomed King Edward VI Lordswood School for Girls into the Trust on 1 September 2022.
5. A Director of Education and Director of Finance were appointed to strength the support provided to our schools.

---

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
**(A company limited by guarantee)**

---

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

---

**Strategic report (continued)**

**Achievements and performance (continued)**

**a. Key performance indicators**

The Foundation Strategy has a range of Key Performance Indicators for each of the objectives outlined above. While a number of them are in formative stage or baseline stage due to it being the first year of the strategy, key highlights from 2021-22 were that:

SO1: Learning with us

- The three Academy Trust schools inspected by Ofsted all remained “outstanding” under the rigorous new framework
- All schools increased their attainment 8 (A8) figure compared to 2019 examination results
- All schools saw increases in their GCSE top grades of 7-9
- Most schools saw an increase in the average A level grade
- A range of cross-Academy Trust extra-curricular activities was initiated

SO2: Working with us

- A range of opportunities for staff to work across the Academy Trust was initiated
- The engagement in and spend on apprenticeships remained significantly higher than that in 2019-20
- The gender pay gap was favourable in comparison to national average
- The new iTrent HR and Payroll system was implemented seamlessly

SO3: Partnering with us

- A new Access and Participation department was set up to focus on growth of the Academy Trust and outreach
- A range of partnerships was set up with other Academy Trusts and standalone schools

In addition, the Academy Trust continued to deal with the impact of the COVID-19 pandemic in terms of academic catch up and maintaining operations.

Pupil-initiated activity around the promotion of equality, diversity and inclusion continued remotely throughout the academic year, supported by staff to use their voice to secure change.

The Academy Trust was able to meet the vast majority of its targets in relation to the delivery of high-quality support services to our Academies. In particular, the delivery of procurement savings, the quality of HR advisory services and the dedicated finance support underpinning the continued healthy financial outlook for the Academy Trust were notable successes.

**b. Going concern**

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

---

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
**(A company limited by guarantee)**

---

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

---

**Strategic report (continued)**

**Achievements and performance (continued)**

**c. Promoting the success of the Trust**

The Trustees act in good faith to make decisions, the outcome of which, they consider will be most likely to promote the success of the company for the benefit of its members as a whole both in current periods and in the long term.

In discharging their duties above, the trustees carefully consider amongst other matters, the impact on and interests of other stakeholders in the company and factor these into their decision making process.

**Employees**

Trustees receive information on various staff KPIs. The trustees are committed to promoting a healthy workforce comprising both physical and mental wellbeing. The trustees keep staff informed of key issues through structured communication channels, promote inclusion in the workplace and also provide training and development opportunities where they are considered of benefit to the company and employees. Using the company's recruitment and development strategies, the directors seek to attract and retain talented staff.

The Company's policy regarding disabled persons is set out in the Trustees' Report as well as further detail regarding communication with employees.

**Service Users**

The trustees commit considerable time, effort and resources into understanding and responding to the needs of the service users with a view to fostering long term mutually beneficial partnerships. We act to service users' needs to the highest standards and work quickly to resolve any isolated disagreements that may arise from time to time.

**Suppliers**

The trustees have established Company procedures to ensure that external suppliers are individually verified to ensure they meet with the health and safety, regulatory and financial security standards required by the Company. The Company seeks to pay all suppliers any undisputed amounts due and that conform with the Company's billing requirements within agreed terms. The Company has established procedures for dispute resolution in a timely and fair manner.

**Community and the environment**

The Company takes its role within the community very seriously and promotes and encourages community and charitable contribution. The Company also recognises the importance of its environmental responsibilities and has measures in place to monitor and control its impact on the local environment and its compliance with any regulatory environmental standards. The Company seeks to implement policies aimed at reducing any potential detrimental environmental impact of its activities.

**Standards and conduct**

The Company has a series of defined codes of practice regarding ethical standards and the conduct of business. These are clearly communicated to every staff member, adherence to which is expected and enforced.

After making appropriate enquiries, the Board of Trustees is assured that the trustees of the company have acted in a way most likely to promote the success of the company, and in doing so have had regards to:

- The likely consequences of any decision in the long term
- The interests of the company's employees
- The need to foster the company's business relationships with suppliers, customers, and others
- The impact of the company's operations on the community and the environment

---

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
**(A company limited by guarantee)**

---

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

---

**Strategic report (continued)**

**Achievements and performance (continued)**

- The desirability of the company maintaining a reputation for high standards of business conduct
- The need to act fairly as between members of the company

**Financial review**

**Review of activities**

**Principal Funding and financial performance**

The Academy Trust received income into its Unrestricted Fund, Restricted General Funds and Fixed Asset Fund during the year.

**Restricted General Fund**

The majority of the Academy Trust's income was received through Education and Skills Funding Agency (ESFA) recurrent revenue grants into the Restricted General Fund, the use of which is restricted to the Academy Trust's charitable activities; its educational operations. These revenue grants and the associated expenditure made against them are detailed in the SOFA. General Restricted Fund income for the year was £62,718,230 (2021: £56,044,478) (excluding amounts transferred on conversion); expenditure against the fund was £59,459,955 (2021: £52,502,214) excluding £2,251,000 (2021: £1,445,000) in relation to the LGPS pension deficit. After fund transfers but excluding transfers on conversion, the restricted general fund generated an in-year surplus of £2,369,712 (2021: £3,132,563) excluding the movements in the LGPS pension deficit and Salix loan deficit.

**Unrestricted Funds**

Income received into the Unrestricted Fund was £1,990,032 (2021: £925,504) excluding transfers on conversion of £565,022 (2021: £nil). Expenditure against the fund was £1,903,084 (2021: £1,031,684) for the year, giving an Unrestricted Fund in-year surplus of £86,948 (2021: in-year deficit of £106,180) after transfers.

**Restricted Fixed Asset (Capital) Fund**

The Restricted Fixed Asset Fund balance is reduced by an annual depreciation charge over the expected useful life of the assets concerned in line with the Trust's Depreciation Policy.

Income received into the fund (excluding amounts transferred on conversion) was £2,056,841 (2021: £3,490,630). This included £2,230,872 (2021: £1,830,173) School Capital Allocation, £218,442 (2021: £199,988) of Devolved Capital Grant Funding, capital donations raised via fundraising of £27,527 (2021: £560,469) and a capital under-payment due back to the Foundation of £(420,000) (2021: £nil). Expenditure from the fund equates to £6,213,842 (2021: £5,446,474) of depreciation. The total funds for the year after transfers is £134,464,344 (2021: £118,423,575) including the amounts transferred on conversion of £19,309,207 (2021: £Nil).

**Summary of Financial Position**

Total fund balance as at 31 August 2022 was £143,869,753 (2021: £106,703,302) comprised of a surplus of £4,575,807 (2021: £3,923,837), £12,135,602 (2021: £9,765,890) and £134,464,344 (2021: £118,423,575) in Unrestricted, Restricted and Restricted Fixed Asset Funds respectively and a pension fund deficit of £7,306,000 (2021: £25,410,000).

---

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
**(A company limited by guarantee)**

---

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

---

**Strategic report (continued)**

**Balance Sheet**

The Academy Trust's assets were predominantly used for providing education to school students within the Academy Trust.

Some assets were used by the local community, predominantly for sports, but also for working with local charities to raise funds and support the elderly and disadvantaged.

The net book value of the Academy Trust's tangible fixed assets was £130,443,953 (2021: £114,504,688) as at 31 August 2022. Cash at bank at 31 August 2022 was £12,331,233 (2021: £4,402,532), which includes capital grants received, but not yet spent at the year end.

**a. Reserves policy**

The Trustees review the reserve levels of the Academy Trust annually and on a regular basis through the annual budgeting and business planning process. This review encompasses the nature of the income and expenditure streams, the need to match income with financial commitments and the nature of reserves. The Trustees compare the reserve levels to the target for the Academy Trust.

Reserves are classified as either restricted or unrestricted. Restricted reserves include the restricted income fund which represents any unspent balance of General Annual Grant (GAG) from the Education and Skills Funding Agency (ESFA) and the National College for Teaching and Leadership (NCTL) plus the restricted fixed asset fund. The deficit on the pension reserve representing the FRS102 pension liability for the West Midlands Local Government Pension Scheme is included within restricted reserves.

Unrestricted reserves represent any surplus funds on activities where there is no restriction on their use. These funds can be carried forward without limit. The Academy Trust's free reserves are those income funds that are freely available for general purposes, which under SORP 2015 are the unrestricted reserves of £4,575,807.

Reserves are required in order to cover the risks of an unforeseen emergency or other unexpected need for funds (e.g. unexpected repair costs or covering the cost of prolonged staff absences); to support the strategic ambitions of the Academy Trust by planning for future capital and revenue investment (e.g. new or improved school buildings); to recognise the risk that as pupil funding changes, staffing and non-staffing expenditure may not be aligned to income levels fast enough and also to hold back a contingency to cover unknown future cost increases (e.g. National Insurance and Pension Schemes).

In accordance with ESFA and Charity Commission guidance Trustees assess that the underlying viability of the Academy Trust is determined by the level of reserves within the unrestricted income funds and restricted income fund (for General Annual Grant (GAG)) less funds held in any designated fund (if applicable) and funds committed for capital projects.

For the purpose of this policy this figure is defined as "available reserves". The negative pension reserve is not deducted from available reserves. Calculating a prudent level of available reserves that the Academy Trust should hold is a matter of judgement for the Trustees. On the one hand a high level of reserves demonstrates to stakeholders that the Academy Trust is financially secure and can deal with unforeseen circumstances and events, but the counter argument is that funding may not have been directed in a timely manner to the welfare of the Academy Trust's beneficiaries – its recent, current and future pupils.

Reserves are an inherent part of the risk management process of the Academy Trust. The need for reserves will vary depending on its current and future financial position. At present given the future uncertainty around the National Funding Formula for pupil funding and the inherent risks during the early years of a new Academy Trust

---

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
**(A company limited by guarantee)**

---

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

---

the Trustees have assessed that a cautious approach is required. Trustees have therefore assessed that the Academy Trust should hold a level of available reserves representing a minimum of 4 weeks of annual GAG income (i.e. 7.7% of GAG income).

The total level of reserves held at 31 August 2022 was £143,869,753 (2021: £106,703,302) as set out in the Balance Sheet and Note 19 to the accounts. Within the total reserves figure is an amount of £134,464,344 represented by the restricted fixed asset fund. This fund includes the cumulative value of the Academy Trust's capital grant and donations less depreciation and will normally equal the net book value of the Academy Trust's fixed assets, unless any amount of grant or donations have not been spent at the year-end, where in this case the net book value will be lower.

This fund cannot be spent and is therefore not a free reserve nor is it included in the calculation of the target level of available reserves.

At 31 August 2022 the available reserves of the Academy Trust were £16,711,496, representing 14 weeks of budgeted GAG income for the 2021/22 financial year. This was in line with Trustee's expectations. Some of these reserves are designated for new builds at King Edward VI Camp Hill School for Boys and King Edward VI Sheldon Heath Academy.

#### **b. Investment policy**

The Academies Financial Handbook provides the freedom to allow the Academy Trust to invest surplus funds if the investment risk is properly managed.

When considering an investment, the Board of Trustees must:

- act within its powers to invest as set out in its articles
- have an investment policy to manage and track its financial exposure, and ensure value for money
- exercise care and skill in investment decisions, taking advice as appropriate from a professional adviser
- ensure that exposure to investment products is tightly controlled so that security of funds takes precedence over revenue maximisation
- ensure that investment decisions are in the best interests of the trust
- review the trust's investments and investment policy regularly

#### **Purpose**

The Trust does not consider the investment of surplus funds as a primary activity, rather an opportunity to further the trust's charitable aims.

Before any cash is invested, the trust must:

- Ensure adequate cash balances are maintained in the current account to cover day to day working capital requirements
- Ensure that there is minimal risk of loss in the capital value of any cash funds invested
- Protect the capital value of any invested funds against inflation
- Optimise returns on invested funds

#### **Guidelines**

Decisions on how much to invest and how long to invest for, will be based on operational requirements, and demonstrated by cash flow forecasts produced by the Head of Finance. The cash flow forecasts will take account of the annual budget and spending plans approved by the Academy Trust Finance Committee and updated on a monthly basis.

The balance held in the current account must be sufficient for the Academy Trust's financial commitments to be met without the bank account going overdrawn. The size of the balance will be determined by a forecast of future



**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
(A company limited by guarantee)

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

need and kept under review.

Investments for a fixed term should not normally exceed one year in order to provide flexibility for the following year's plans, unless a clear rationale is provided for exceeding one year to the benefit of the Academy Trust.

**c. Principal risks and uncertainties**

Risks are identified, scored, reviewed and mitigated using the GRC-ONE risk management software, which has been specifically developed for academies and Academy Trusts. The Academy Trust Audit Committee reviews the risk register on a periodic basis.

Risk	Description	Mitigation Plans
The organisation suffers from a significant or prolonged governance failure	Prolonged governance failure leads to increased public and government concern over the lack of good management practice and public accountability. Good corporate governance structures encourage creation of value, provide accountability and control systems commensurate with the risks involved with the Board of Trustees being responsible for the corporate governance of their trust.	The Academy Trust has a robust governance structure in place, supported by Terms of Reference and monitoring of governor-related compliance activities (e.g. declaration of business interest). These structures and arrangements are subject to periodic review and updated to reflect any changes in the regulatory environment (e.g. GDPR). The organisation has recently completed a Governance Review which has involved detailed scrutiny to ensure governance structures and Board and Committee terms of reference are fit for purpose. All Governors are expected to attend mandatory training which is rigorously monitored.
The Trust operation is poorly managed or ineffective	Poor management can cause organisations to permanently close. Poor leadership results in high turnover of employees and low morale; the cost of recruitment and training becomes prohibitive, which can impact a business's ability to continue operations.	The Academy Trust has staff seconded to it from the Schools of King Edward VI Foundation Charity. These staff are line managed by director- level members of the charity's senior leadership team. There is also a performance management and development system in place which links the objectives and performance of the organisation to the individual objectives and performance of leaders and members of staff.

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
**(A company limited by guarantee)**

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

<p>There is a decline in the performance of one or more of the Trust's schools</p>	<p>A sponsored academy fails to improve and / or one or more of the Trust's academies goes into an Ofsted category following an inspection.</p>	<p>The Academy Trust deploys an experienced Consultant Headteacher to schools requiring additional support. A substantial School Improvement Fund has been established to support a range of school-to-school support activities, including leaders of education, subject networks and CPD. The Academy Trust is appointing a Director of Education for September 2022. In addition, the Academy Trust commissions external Safeguarding Audits and School Improvement Partner visits to identify areas for development.</p>
<p>There are insufficient funds to deliver the Trust services to the appropriate level</p>	<p>Poor management of finances may lead to the budget being overextended in comparison with revenues or contributions received. Without sufficient business reserves it may not be able to absorb consistent losses, and the organisation can fail.</p>	<p>The Academy Trust has a dedicated finance function which includes peripatetic finance managers who work closely with each academy to set and monitor budgets. There is a reserves policy in place and the actual position on reserves is monitored against this so that any remedial action required can be taken quickly and effectively. This includes a focus on ensuring schools with reserve balances have clear plan for utilising those funds.</p>
<p>The Trust fails to adequately protect its reputation</p>	<p>Risk to reputation is caused by a misalignment of values; the organisation failing in some way to meet stakeholder expectations, delivering significantly below expectation. As reputation is a relational concept this failure can manifest itself in a number of different ways.</p>	<p>A mission statement and set of values are in place, as is a Marketing and Communications team who monitor reputational risks. The organisation's refreshed strategy, published in April 2021, clearly sets out values, objectives and performance measures.</p>

---

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
**(A company limited by guarantee)**

---

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

---

The Trust fails in its compliance responsibilities and / or a serious safeguarding incident occurs in one of the Trust's schools	Failure to comply with these compliance requirements can have serious consequences for both organisations and individuals. Sanctions can include letters for improvement, fines, prosecution, imprisonment and disqualification from continuing to transact business or practice.	The Academy Trust has a robust governance structure in place. It has a compliance function which ensures that compliance responsibilities are understood and adhered to. It also uses the GRC-ONE risk management system which is based on meeting the regulatory requirements of the ESFA, Ofsted and other relevant bodies. The establishment of a stronger, central educational resources and external safeguarding audits have ensured that there is more focus on this area.
--	---	---

**d. Financial risk management objectives and policies**

The objectives of the Academy Trust's Risk Management Procedure are to identify the principal risks facing the Academy Trust so that existing controls may be considered and further action taken if required, including external insurances.

The Board of Trustees has compiled a comprehensive risk management process to identify and monitor the risks faced by the Academy Trust within the context of the Trust constitution.

The financial risks considered include: economic/financial uncertainty, liquidity and solvency, credit risk, the risk of fraud and non-compliance with financial statutory requirements.

**e. Fundraising**

The Academy Trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
(A company limited by guarantee)

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

**Streamlined energy and carbon reporting**

The Academy Trust's greenhouse gas emissions and energy consumption are as follows:

	<b>2022</b>	<i>2021</i>
Energy consumption used to calculate emissions (kWh)	<b>15,461,416</b>	<i>15,532,419</i>
<b>Scope 1 emissions (in tonnes of CO2 equivalent):</b>		
Gas consumption	<b>2,142.15</b>	<i>2,363.74</i>
Owned transport	-	<i>16.86</i>
<b>Total scope 1</b>	<b>2,142.15</b>	<i>2,380.60</i>
<b>Scope 2 emissions (in tonnes of CO2 equivalent):</b>		
Purchased electricity	<b>85.81</b>	<i>73.57</i>
<b>Total gross emissions (in tonnes of CO2 equivalent):</b>	<b>2,227.96</b>	<i>2,454.17</i>
<b>Intensity ratio:</b>		
Tonnes of CO2 equivalent per pupil	<b>0.20</b>	<i>0.27</i>

**Quantification and Reporting Methodology**

We have reported all of emission sources under the above legislation as required. We have calculated and reported our emissions in line with the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) and emission factors from the UK Government's GHG Conversion Factors for Company Reporting 2020 and 2021.

**Intensity measurement**

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio per pupil.

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio per pupil.

**Measures taken to improve energy efficiency**

- 1) Installation of LED Lighting at King Edward VI Aston, King Edward VI Balaam Wood Academy, and King Edward VI Handsworth School
- 2) Installed new UPVC windows at King Edward VI Aston.
- 3) Pathway lights at King Edward VI Camp Hill schools.
- 4) New entrance doors at King Edward VI Camp Hill School for Girl.
- 5) New inner uPVC reception doors at King Edward VI Five Ways School.
- 6) Reroofing with insulation at King Edward VI Handsworth Grammar School for Boys.
- 7) New boiler and water heater at King Edward VI Handsworth Grammar School.
- 8) New water heater at King Edward VI Five Ways School.

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

---

**Plans for future periods**

As discussed above, the Trust has recently adopted a new five-year strategy with a set of strategic objectives and KPIs.

The most significant changes will be in terms of the collaborative resources and structures available to improve the quality of education that we provide. Fundamentally, more resources will be made available for cross-Trust work in developing education across all of our schools. This will include:

- Opportunity for teachers and leaders to support and learn from other schools within the Trust through a Leader of Education programme
- More collaboration between departments and subject areas across schools through enhanced subject networks with dedicated leads
- Coherent Trust-wide approaches to coaching, mentoring and career development
- An increased focus on Trust-wide educational strategy and the systems to deliver it
- A move towards a more unified digital approach in order to be able to better share educational resources and best practice
- Stronger collaboration between the Trust's sixth forms to maintain and widen the post-16 offer for learners
- Peer reviews for departments and leaders

A range of new strategies will be implemented to further the new overall direction including:

- School Improvement
- Human Resources (incl. Career Framework)
- Environmental Sustainability
- Digital
- External Relations
- Growth

To deliver these changes, some key appointments are being made, including a Director of Education appointed in April 2022.

**Agency arrangements**

The Academy Trust acts as an agent in distributing bursary funds and grants from the ESFA and other government bodies. Payments received and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. In some instances, the trust can use a percentage of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 17.

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

**Disclosure of information to auditor**

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- that Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 7 December 2022 and signed on its behalf by:

*Sharon Roberts*

**S Roberts**  
Chair of Trustees

---

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
**(A company limited by guarantee)**

---

**GOVERNANCE STATEMENT**

---

**Scope of responsibility**

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between King Edward VI Academy Trust Birmingham and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met 7 times during the year.

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

Trustee	Meetings attended	Out of a possible
S Roberts, Chair	7	7
D Wheeldon, Vice Chair	7	7
P Burns	0	2
T Clarke	1	2
G Dupree	1	3
F Kinkhabwala	5	7
B Matthews	7	7
A McKerracher	4	7
R Palmer	1	1
C Ricks	4	7
L Roan	7	7
R Stephen	0	1
H Thomas	7	7
L Williams	1	2
S Ryder	1	1
J Lennon	0	0

**Managing conflicts of interest**

All trustees recognise they have a legal duty to act only in the best interests of the Trust and that they must not put themselves in any position where their duties as trustee may conflict with any personal interest they may have.

Trustees' personal and professional connections can bring benefits to the work of a charity and they often form part of the reason why an individual has been asked to join the trustee body however there may be a situation where there is a conflict of interest where a trustee's personal interests or loyalties could, or could be seen to, prevent them from making a decision only in the best interests of the charity.

To address these rare situations, the Trust holds a full Register of Business Interests which is recorded on the Trust's website alongside the Scheme of Delegation and Guide to Governance.

Updates to the register are made as a result of information either resulting from a formal minuted committee

---

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
**(A company limited by guarantee)**

---

**GOVERNANCE STATEMENT (CONTINUED)**

---

**Governance (continued)**

meeting which records any Declarations of Interest in respect of agenda items or otherwise, or from the annual business interests returns which are refreshed during the year, as circumstances dictate.

If there is a conflict of interest, the committee clerk ensures that the written record of the decision shows that the Trust has acted properly and complied with their duties by recording:

- the nature of the conflict
- which trustee or trustees were affected
- whether any conflicts of interest were declared in advance
- an outline of the discussion
- whether anyone withdrew from the discussion
- how the trustees took the decision in the best interests of the charity

The Finance Committee is a sub-committee of the main Board of Trustees. Its purpose includes:

- develop a financial strategy for the Academy Trust and consider policies, procedures or plans required to realise such a strategy;
- consider the Academy Trust's indicative funding, once notified by the ESFA, and to assess its implications for the Academy Trust;
- consider and recommend acceptance/non-acceptance of the Academy Trust's budget to the Trustees; and
- monitor income and expenditure.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
B Matthews (Chair)	6	6
H Thomas	4	6
D Wheeldon	5	6
J Trafford	6	6
A Horvath	6	6
S Roberts	5	6
A McKerracher	5	5

The Audit Committee is also a sub-committee of the main Board of Trustees. Its purpose includes:

- to review, before submission to and approval by the Board of Trustees, and before clearance by the auditors and challenge where necessary, the actions and judgements of management, in relation to the audited financial statements, operating and financial review and related formal statements;
- to review Internal Control and Risk management;
- consider the requirement for internal auditors annually;
- recommend to the Academy Trust Board the appointment or reappointment of the external auditors;
- review the auditor's findings of their work; and
- receive and review the Academy Trust gift and hospitality register.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
G Dupree (Chair)	1	1
C Wood	3	3
L Roan	3	3
S Roberts	3	3
D Wheeldon	2	2



## GOVERNANCE STATEMENT (CONTINUED)

---

### Review of value for money

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

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

- Further improving the central services offer providing our academies with well structured, value for money support services
- Delivery of procurement savings in excess of £90,000 across the Academy Trust

### The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in King Edward VI Academy Trust Birmingham for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

### Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks, that has been in place for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

### The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Finance Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The Academy Trust has considered the need for a specific internal audit function and has appointed RSM Risk Assurance Services LLP to carry out reviews of the systems as determined by the Audit Committee. During the year the internal auditors carried out reviews of key operational controls and followed up on reviews of HR

---

**GOVERNANCE STATEMENT (CONTINUED)**

---

**The risk and control framework (continued)**

recruitment processes and IT cyber security.

On a termly basis, RSM Risk Assurance Services LLP reports to the board of trustees, through the audit committee, on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and annually prepares a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year

**Review of effectiveness**

As Accounting Officer, the Chief Executive Officer has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the external auditor;
- the work of the internal auditor;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 7 December 2022 and signed on their behalf by:

*Sharon Roberts*

**S Roberts**  
Chair of Trustees

*J Dhesi*

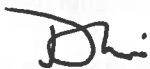
**J Dhesi**  
Accounting Officer

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

As Accounting Officer of King Edward VI Academy Trust Birmingham I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2021.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2021.

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



**J Dhesi**  
Accounting Officer

Date: 7 December 2022

**STATEMENT OF TRUSTEES' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 AUGUST 2022**

---

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 7 December 22 and signed on its behalf by:

Sharon Roberts

**S Roberts**  
Chair of Trustees

---

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
**(A company limited by guarantee)**

---

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF KING EDWARD VI ACADEMY TRUST BIRMINGHAM**

---

**Opinion**

We have audited the financial statements of King Edward VI Academy Trust Birmingham (the 'academy trust') 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, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 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, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Academy Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

---

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
**(A company limited by guarantee)**

---

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF KING EDWARD VI ACADEMY TRUST BIRMINGHAM (CONTINUED)**

---

**Other information**

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

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

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

**Matters on which we are required to report by exception**

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

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

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

---

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
**(A company limited by guarantee)**

---

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF KING EDWARD VI ACADEMY TRUST BIRMINGHAM (CONTINUED)**

---

**Responsibilities of trustees**

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

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

**Auditor's responsibilities for the audit of the financial statements**

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

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

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102) and the Companies Act, Academies Accounts Direction and the Academy Trust Handbook. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The key laws and regulations we considered in this context were General Data Protection Regulation, health and safety legislation, Ofsted and employee legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquire of the Trustees and other management and inspection of regulatory and legal correspondence, if any. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Board about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely

---

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
(A company limited by guarantee)

---

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF KING EDWARD VI ACADEMY TRUST BIRMINGHAM (CONTINUED)**

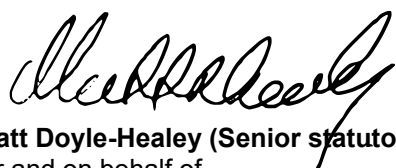
---

the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's report.

**Use of our report**

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



**Matt Doyle-Healey (Senior statutory auditor)**

for and on behalf of

**Crowe U.K. LLP**

Statutory Auditor

Black Country House

Rounds Green Road

Oldbury

West Midlands

B69 2DG

Date: 21 December 2022



---

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
**(A company limited by guarantee)**

---

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO KING EDWARD VI ACADEMY TRUST BIRMINGHAM AND THE EDUCATION AND SKILLS FUNDING AGENCY**

---

In accordance with the terms of our engagement letter dated 28 June 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by King Edward VI Academy Trust Birmingham during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of King Edward VI Academy Trust Birmingham's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of King Edward VI Academy Trust Birmingham's funding agreement with the Secretary of State for Education dated 30 August 2017 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**Approach**

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

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

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

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

The work undertaken to draw our conclusion includes a review of the design and implementation of the Academy's internal controls and review processes on regularity, supported by detailed tests on samples of costs incurred by the academy and specific transactions identified from our review.

---

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
**(A company limited by guarantee)**

---

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO KING  
EDWARD VI ACADEMY TRUST BIRMINGHAM AND THE EDUCATION & SKILLS FUNDING AGENCY  
(CONTINUED)**

---

**Conclusion**

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*Crawe UK*

Reporting Accountant  
**Crowe U.K. LLP**

Black Country House  
Rounds Green Road  
Oldbury  
West Midlands  
B69 2DG

Date: *21 December 2022*

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
(A company limited by guarantee)

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

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Income from:</b>					
Donations & capital grants:					
3 Transfer from local authority on conversion	565,022	(3,650,000)	19,309,207	16,224,229	-
Other donations & capital grants	262,583	951,020	2,056,841	3,270,444	4,754,310
Other trading activities	873,233	83,476	-	956,709	526,562
Investment income	11,643	-	-	11,643	27,621
Charitable activities					
4 Teaching schools	842,573	61,525,921	-	62,368,494	54,860,879
	-	157,813	-	157,813	291,240
<b>Total income</b>	<b>2,555,054</b>	<b>59,068,230</b>	<b>21,366,048</b>	<b>82,989,332</b>	<b>60,460,612</b>
<b>Expenditure on:</b>					
Raising funds	1,091,259	-	-	1,091,259	695,415
Charitable activities	811,825	61,518,521	6,213,842	68,544,188	59,487,980
Teaching schools	-	192,434	-	192,434	241,977
<b>Total expenditure</b>	<b>1,903,084</b>	<b>61,710,955</b>	<b>6,213,842</b>	<b>69,827,881</b>	<b>60,425,372</b>
<b>Net income/(expenditure)</b>	<b>651,970</b>	<b>(2,642,725)</b>	<b>15,152,206</b>	<b>13,161,451</b>	<b>35,240</b>
Transfers between funds					
19	-	(888,563)	888,563	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>	<b>651,970</b>	<b>(3,531,288)</b>	<b>16,040,769</b>	<b>13,161,451</b>	<b>35,240</b>
Actuarial gains/(losses) on defined benefit pension schemes					
29	-	24,005,000	-	24,005,000	(1,141,000)
<b>Net movement in funds</b>	<b>651,970</b>	<b>20,473,712</b>	<b>16,040,769</b>	<b>37,166,451</b>	<b>(1,105,760)</b>

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
(A company limited by guarantee)

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

Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
<b>Reconciliation of funds:</b>					
Total funds brought forward	3,923,837	(15,644,110)	118,423,575	106,703,302	107,809,062
<b>Total funds carried forward</b>	<u>4,575,807</u>	<u>4,829,602</u>	<u>134,464,344</u>	<u>143,869,753</u>	<u>106,703,302</u>

The notes on pages 38 to 76 form part of these financial statements.

KING EDWARD VI ACADEMY TRUST BIRMINGHAM

(A company limited by guarantee)

REGISTERED NUMBER: 10654935

**BALANCE SHEET**  
**AS AT 31 AUGUST 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	12	130,443,953	114,504,688
<b>Current assets</b>			
Debtors	13	2,251,599	3,343,590
Investments	14	12,712,692	15,952,710
Cash at bank and in hand		12,331,233	4,402,532
		<u>27,295,524</u>	<u>23,698,832</u>
Creditors: amounts falling due within one year	15	(6,492,142)	(5,999,045)
<b>Net current assets</b>		<u>20,803,382</u>	<u>17,699,787</u>
<b>Total assets less current liabilities</b>		<u>151,247,335</u>	<u>132,204,475</u>
Creditors: amounts falling due after more than one year	16	(71,582)	(91,173)
<b>Net assets excluding pension liability</b>		<u>151,175,753</u>	<u>132,113,302</u>
Defined benefit pension scheme liability	29	(7,306,000)	(25,410,000)
<b>Total net assets</b>		<u><u>143,869,753</u></u>	<u><u>106,703,302</u></u>
<b>Funds of the Academy Trust</b>			
<b>Restricted funds:</b>			
Fixed asset funds	19	134,464,344	118,423,575
Restricted income funds	19	12,135,602	9,765,890
Restricted funds excluding pension reserve	19	<u>146,599,946</u>	<u>128,189,465</u>
Pension reserve	19	(7,306,000)	(25,410,000)
<b>Total restricted funds</b>	19	<u>139,293,946</u>	<u>102,779,465</u>
<b>Unrestricted income funds</b>	19	<u>4,575,807</u>	<u>3,923,837</u>
<b>Total funds</b>		<u><u>143,869,753</u></u>	<u><u>106,703,302</u></u>

---

KING EDWARD VI ACADEMY TRUST BIRMINGHAM

(A company limited by guarantee)  
REGISTERED NUMBER: 10654935

---

**BALANCE SHEET (CONTINUED)**  
**AS AT 31 AUGUST 2022**

---

The financial statements on pages 33 to 76 were approved by the Trustees, and authorised for issue on  
and are signed on their behalf, by:

*7 December 2022*

*Sharon Roberts*

**S Roberts**  
Chair of Trustees

---

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
**(A company limited by guarantee)**

---

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

---

	<b>Note</b>	<b>2022</b> <b>£</b>	<b>2021</b> <b>£</b>
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	22	<b>6,148,975</b>	3,985,355
<b>Cash flows from investing activities</b>	24	<b>1,799,317</b>	<i>(7,590,243)</i>
<b>Cash flows from financing activities</b>	23	<b>(19,591)</b>	<i>(19,591)</i>
<b>Change in cash and cash equivalents in the year</b>		<b>7,928,701</b>	<i>(3,624,479)</i>
Cash and cash equivalents at the beginning of the year		<b>4,402,532</b>	8,027,011
<b>Cash and cash equivalents at the end of the year</b>	25, 26	<b>12,331,233</b>	4,402,532

The notes on pages 38 to 76 form part of these financial statements

---

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
**(A company limited by guarantee)**

---

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

---

**1. Accounting policies**

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

**1.1 Basis of preparation of financial statements**

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The financial statements represent the financial results and financial position of King Edward VI Academy Trust Birmingham ("the Academy Trust"), which comprised the following member academies at the 31 August 2022:

King Edward VI Aston School  
King Edward VI Camp Hill School for Boys  
King Edward VI Camp Hill School for Girls  
King Edward VI Five Ways School  
King Edward VI Handsworth School  
King Edward VI Handsworth Grammar School for Boys  
King Edward VI Sheldon Heath Academy  
King Edward VI Handsworth Wood Girls' Academy  
King Edward VI Balaam Wood Academy  
King Edward VI Northfield School for Girls

**1.2 Company status**

The Academy Trust is a company limited by guarantee and was incorporated in England and Wales (registered number 10654935). The address of the registered office is Foundation Office, Edgbaston Park Road, Birmingham, B15 2UD. The members of the company are named in the reference and administration pages. In the event of the Academy Trust being wound up, the liability in respect of the guarantee is limited to £10 per member of the Academy Trust.

**1.3 Going concern**

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



---

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
**(A company limited by guarantee)**

---

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

---

**1. Accounting policies (continued)**

**1.4 Income**

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

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

• **Donated goods, facilities and services**

Goods and services that are received as donations in kind are recognised in the SOFA as incoming resources. A corresponding expenditure of the same amount is also recognised.

• **Transfer on conversion**

Where assets and liabilities are received by the Academy Trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

---

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
**(A company limited by guarantee)**

---

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

---

**1. Accounting policies (continued)**

**1.5 Expenditure**

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

**Expenditure on raising funds**

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

**Charitable activities**

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

**1.6 Taxation**

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**1.7 Operating leases**

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

---

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
**(A company limited by guarantee)**

---

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

---

**1. Accounting policies (continued)**

**1.8 Tangible fixed assets**

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each assets, less their estimated residual value, over their expected useful lives.

Depreciation is provided on the following bases:

Licence to occupy	- 2% - 10%
Long leasehold property	- 0.8% - 2%
Long leasehold improvements	- 5%
Furniture and fixtures	- 10%
Motor vehicles	- 20%
Computer equipment	- 33.33%
Freehold property	- 2%

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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

**1.9 Current asset investments**

Short term investments comprise funds held on Money Market and Call Notice deposit accounts and are not readily accessible within 3 months or 32 days respectively.

**1.10 Debtors**

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

---

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
**(A company limited by guarantee)**

---

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

---

**1. Accounting policies (continued)**

**1.11 Liabilities and provisions**

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

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

**1.12 Financial instruments**

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 15 and 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

**1.13 Agency arrangements**

The Academy Trust acts as an agent in distributing bursary funds and grants from ESFA, other government bodies and King Edward VI Sheldon Heath Charitable Fund. Payments received and subsequent disbursements to students are excluded from the statement of financial activities as the Academy Trust does not have control over the charitable application of the funds. In some instances the trust can use a percentage of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in the notes to the financial statements.

---

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
**(A company limited by guarantee)**

---

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

---

**1. Accounting policies (continued)**

**1.14 Pensions**

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

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

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

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

**1.15 Conversion to an academy trust**

The conversion from a state maintained school to an Academy Trust involved the transfer of identifiable assets and liabilities and the operation of the school for £NIL consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from King Edward VI Northfield School for Girls (previously Turves Green Girls School) to the Academy Trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate Balance sheet categories, with a corresponding amount recognised in Income from Donations and Capital Grants in the Statement of financial activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 27.

---

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
**(A company limited by guarantee)**

---

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

---

**1. Accounting policies (continued)**

**1.16 Fund accounting**

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

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

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

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

**2. Critical accounting estimates and areas of judgment**

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 29, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The Academy Trust receives donated services from Schools of King Edward VI in Birmingham (the 'Foundation') valued at £934,916 (2021: £998,478) which is an approximation of the service costs provided to the Academy Trust, this has been included as both income and expenditure.

Critical areas of judgment:

There are no further critical judgments which would have a material impact on the financial statements.

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
(A company limited by guarantee)

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

**3. Income from donations and capital grants**

	<b>Unrestricted funds 2022 £</b>	<b>Restricted funds 2022 £</b>	<b>Restricted fixed asset funds 2022 £</b>	<b>Total funds 2022 £</b>
Transfer from local authority on conversion (see note 27)	565,022	(3,650,000)	19,309,207	<b>16,224,229</b>
<b>Total transfers</b>	<b>565,022</b>	<b>(3,650,000)</b>	<b>19,309,207</b>	<b>16,224,229</b>
Donations	262,583	951,020	27,527	<b>1,241,130</b>
Capital grants - ESFA	-	-	2,449,314	<b>2,449,314</b>
Capital funding repayable to the Foundation (see note 32)	-	-	(420,000)	<b>(420,000)</b>
<b>Other donations &amp; capital grants</b>	<b>262,583</b>	<b>951,020</b>	<b>2,056,841</b>	<b>3,270,444</b>
<b>Total 2022</b>	<b>827,605</b>	<b>(2,698,980)</b>	<b>21,366,048</b>	<b>19,494,673</b>

	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Restricted fixed asset funds 2021 £</i>	<i>Total funds 2021 £</i>
Donations	82,964	1,180,716	560,469	1,824,149
Capital grants - ESFA	-	-	2,030,161	2,030,161
Capital donations - Foundation	-	-	900,000	900,000
<i>Total 2021</i>	<b>82,964</b>	<b>1,180,716</b>	<b>3,490,630</b>	<b>4,754,310</b>

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
(A company limited by guarantee)

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

**4. Income from charitable activities**

	<b>Unrestricted funds 2022 £</b>	<b>Restricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Funding for educational operations (note 5)	-	61,242,746	<b>61,242,746</b>
Revenue grants - Foundation	-	24,850	<b>24,850</b>
Other grants	-	258,325	<b>258,325</b>
Catering income	245,620	-	<b>245,620</b>
Trips income	596,953	-	<b>596,953</b>
<b>Total 2022</b>	<b>842,573</b>	<b>61,525,921</b>	<b>62,368,494</b>
	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Funding for educational operations (note 5)	-	54,241,598	54,241,598
Revenue grants - Foundation	-	58,500	58,500
Other grants	-	229,224	229,224
Catering income	133,845	-	133,845
Trips income	197,712	-	197,712
<i>Total 2021</i>	<b>331,557</b>	<b>54,529,322</b>	<b>54,860,879</b>



**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
(A company limited by guarantee)

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

**5. Funding for Academy Trust's Educational Operations**

	<b>Restricted funds 2022 £</b>	<b>Total funds 2022 £</b>
<b>DfE/ESFA grants</b>		
General Annual Grant	55,977,698	<b>55,977,698</b>
Other DfE/ESFA grants		
Others	1,254,027	<b>1,254,027</b>
Pupil Premium	2,485,458	<b>2,485,458</b>
Teachers Pay Grant	481,468	<b>481,468</b>
	60,198,651	<b>60,198,651</b>
<b>Other Government grants</b>		
Local authority grants	509,689	<b>509,689</b>
	509,689	<b>509,689</b>
<b>COVID-19 additional funding (DfE/ESFA)</b>		
Catch-up Premium	366,578	<b>366,578</b>
Other DfE/ESFA COVID-19 funding	167,828	<b>167,828</b>
	534,406	<b>534,406</b>
<b>Total 2022</b>	61,242,746	<b>61,242,746</b>

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
(A company limited by guarantee)

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

**5. Funding for Academy Trust's Educational Operations (continued)**

	<i>Restricted funds 2021 £</i>	<i>Total funds 2021 £</i>
<b>DfE/ESFA grants</b>		
General Annual Grant	48,242,942	48,242,942
Other DfE/ESFA grants		
Others	1,022,785	1,022,785
Pupil Premium	2,083,130	2,083,130
Teachers Pay Grant	1,795,322	1,795,322
	53,144,179	53,144,179
<b>Other Government grants</b>		
Local authority grants	180,059	180,059
	180,059	180,059
<b>COVID-19 additional funding (DfE/ESFA)</b>		
Catch-up Premium	541,280	541,280
Other DfE/ESFA COVID-19 funding	372,914	372,914
	914,194	914,194
<b>COVID-19 additional funding (non-DfE/ESFA)</b>		
Coronavirus Job Retention Scheme grant	3,166	3,166
	3,166	3,166
<i>Total 2021</i>	54,241,598	54,241,598

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
(A company limited by guarantee)

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

**6. Income from other trading activities**

	<b>Unrestricted funds 2022 £</b>	<b>Restricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Lettings income	209,749	-	<b>209,749</b>
Income from other trading activities	495,496	-	<b>495,496</b>
Income from other ancillary activities	167,988	83,476	<b>251,464</b>
<b>Total 2022</b>	<b>873,233</b>	<b>83,476</b>	<b>956,709</b>
	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Lettings income	59,220	-	59,220
Income from other trading activities	345,876	-	345,876
Income from other ancillary activities	78,266	43,200	121,466
<i>Total 2021</i>	<b>483,362</b>	<b>43,200</b>	<b>526,562</b>

**7. Expenditure**

	<b>Staff Costs 2022 £</b>	<b>Premises 2022 £</b>	<b>Other 2022 £</b>	<b>Total 2022 £</b>
Expenditure on fundraising trading activities:				
Direct costs	946,115	-	145,144	<b>1,091,259</b>
Charitable activities:				
Direct costs	38,581,672	6,213,842	5,294,301	<b>50,089,815</b>
Support costs	12,127,317	3,606,996	2,720,060	<b>18,454,373</b>
Teaching school	136,233	-	56,201	<b>192,434</b>
	<b>51,791,337</b>	<b>9,820,838</b>	<b>8,215,706</b>	<b>69,827,881</b>

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
(A company limited by guarantee)

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

**7. Expenditure (continued)**

	<i>Staff Costs</i> 2021 £	<i>Premises</i> 2021 £	<i>Other</i> 2021 £	<i>Total</i> 2021 £
Expenditure on fundraising trading activities:				
Direct costs	563,820	-	131,595	695,415
Charitable Activities				
Direct costs	34,657,357	5,446,474	4,299,545	44,403,376
Support costs	10,179,757	2,964,962	1,939,885	15,084,604
Teaching school	144,514	-	97,463	241,977
	<u>45,545,448</u>	<u>8,411,436</u>	<u>6,468,488</u>	<u>60,425,372</u>

**8. Support costs**

	<b>2022</b> £	<b>2021</b> £
Staff costs	<b>12,127,317</b>	10,179,757
Technology costs	<b>695,590</b>	524,271
School trip expenditure	<b>746,047</b>	305,522
Legal costs	<b>128,037</b>	122,966
Governance costs	<b>71,227</b>	44,802
Recruitment and support	<b>205,662</b>	156,612
Premises costs	<b>3,606,996</b>	2,964,962
Other support costs	<b>873,497</b>	785,716
	<u><b>18,454,373</b></u>	<u>15,084,608</u>

During the year the trust incurred governance costs in relation to statutory audit fees and professional fees.

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
(A company limited by guarantee)

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

**9. Net (income)/expenditure**

Net income/(expenditure) for the year includes:

	2022 £	2021 £
Operating lease rentals	31,652	67,068
Depreciation of tangible fixed assets	6,213,842	5,306,785
Transfer in on conversion (see note 27)	16,224,229	-
Fees paid to auditor for:		
- audit	41,950	37,685
- other services	10,060	7,760
	<u>41,950</u>	<u>37,685</u>

**10. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

	2022 £	2021 £
Wages and salaries	36,605,377	33,049,574
Social security costs	3,734,138	3,291,871
Pension costs	10,363,818	8,637,247
	<u>50,703,333</u>	<u>44,978,692</u>
Agency staff costs	984,610	456,976
Staff restructuring costs	103,394	109,780
	<u>51,791,337</u>	<u>45,545,448</u>

Staff restructuring costs comprise:

Severance payments	<u>103,394</u>	<u>109,780</u>
--------------------	----------------	----------------

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
(A company limited by guarantee)

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

**10. Staff (continued)**

**b. Severance payments**

The Academy Trust paid 9 severance payments in the year (2021 - 4), disclosed in the following bands:

	<b>2022</b>	<i>2021</i>
	<b>No.</b>	<i>No.</i>
£0 - £25,000	<b>8</b>	<i>1</i>
£25,001 - £50,000	<b>1</b>	<i>3</i>
	<b>=====</b>	<i>=====</i>

**c. Special staff severance payments**

There were nine non-statutory/non-contractual severance payments during the year amounting to £103,395 (2021: four amounting to £109,780). Individually the payments were £30,000, £17,577, £12,634, £11,156, £8,963, £6,320, £6,152, £6,152 and £4,440 (2021: £30,451, £38,263, £32,176 and £8,890).

**d. Staff numbers**

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

	<b>2022</b>	<i>2021</i>
	<b>No.</b>	<i>No.</i>
Management	<b>71</b>	<i>67</i>
Teachers	<b>566</b>	<i>519</i>
Support	<b>503</b>	<i>402</i>
	<b>=====</b>	<i>=====</i>
	<b>1,140</b>	<i>988</i>

**e. Higher paid staff**

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

	<b>2022</b>	<i>2021</i>
	<b>No.</b>	<i>No.</i>
In the band £60,001 - £70,000	<b>26</b>	<i>26</i>
In the band £70,001 - £80,000	<b>10</b>	<i>11</i>
In the band £80,001 - £90,000	<b>6</b>	<i>2</i>
In the band £90,001 - £100,000	<b>-</b>	<i>1</i>
In the band £100,001 - £110,000	<b>3</b>	<i>5</i>
In the band £110,001 - £120,000	<b>2</b>	<i>1</i>
	<b>=====</b>	<i>=====</i>

---

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
**(A company limited by guarantee)**

---

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

---

**10. Staff (continued)**

**f. Key management personnel**

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £1,298,168 (2021 - £1,113,547).

In addition to the above is the Foundation donation for the provision of Key Management Personnel (listed on page 1) to the Trust, this year it amounted to £325,464 (2021: £225,145) of the donated services.

Included in staff costs is £1,767,739 (2021: £1,593,478) relating to off payroll arrangements for the cost of staff employed by the Foundation providing services to the Academy Trust.

**11. Trustees' remuneration and expenses**

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

During the year ended 31 August 2022, Trustees received reimbursement of expenses for £NIL (2021 - £NIL).

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
(A company limited by guarantee)

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

**12. Tangible fixed assets**

	Freehold property £	Licence to occupy properties £	Long Leasehold property £	Long leasehold improvements £	Furniture and fixtures £
<b>Cost or valuation</b>					
At 1 September 2021	-	55,598,620	63,382,622	4,358,769	938,701
Additions	-	1,865,824	10,612	133,397	258,094
Acquired on conversion	19,035,000	-	-	-	236,601
Transfers between classes	-	7,678,779	-	-	-
At 31 August 2022	<u>19,035,000</u>	<u>65,143,223</u>	<u>63,393,234</u>	<u>4,492,166</u>	<u>1,433,396</u>
<b>Depreciation</b>					
At 1 September 2021	-	13,491,949	4,171,563	497,737	395,186
Charge for the year	353,400	3,677,646	1,239,744	190,669	150,301
At 31 August 2022	<u>353,400</u>	<u>17,169,595</u>	<u>5,411,307</u>	<u>688,406</u>	<u>545,487</u>
<b>Net book value</b>					
At 31 August 2022	<u><u>18,681,600</u></u>	<u><u>47,973,628</u></u>	<u><u>57,981,927</u></u>	<u><u>3,803,760</u></u>	<u><u>887,909</u></u>
At 31 August 2021	<u><u>-</u></u>	<u><u>42,106,671</u></u>	<u><u>59,211,059</u></u>	<u><u>3,861,032</u></u>	<u><u>543,515</u></u>



**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
(A company limited by guarantee)

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

Motor vehicles £	Computer equipment £	Assets under construction £	Total £
102,401	1,921,404	7,670,451	133,972,968
-	449,425	126,549	2,843,901
-	37,605	-	19,309,206
-	-	(7,678,779)	-
<u>102,401</u>	<u>2,408,434</u>	<u>118,221</u>	<u>156,126,075</u>
87,438	824,407	-	19,468,280
8,532	593,550	-	6,213,842
<u>95,970</u>	<u>1,417,957</u>	<u>-</u>	<u>25,682,122</u>
<u>6,431</u>	<u>990,477</u>	<u>118,221</u>	<u>130,443,953</u>
<u>14,963</u>	<u>1,096,997</u>	<u>7,670,451</u>	<u>114,504,688</u>

---

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
**(A company limited by guarantee)**

---

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

---

**12. Tangible fixed assets (continued)**

**Leasehold**

The long-leasehold land and buildings for King Edward VI Sheldon Heath Academy, built under the Buildings Schools for the Future programme, were transferred to the Academy on a peppercorn lease of 125 years. The lease was signed in January 2021.

The long-leasehold land and buildings for King Edward VI Handsworth Grammar School for Boys were transferred to the Academy on a peppercorn lease of 125 years. The legal owners of the leasehold properties are The Trustees of the Charity called Handsworth Grammar School.

The long-leasehold land and buildings for King Edward VI Handsworth Wood Girls' Academy and King Edward VI Balaam Wood Academy were transferred to the Academy on a peppercorn lease of 125 years. The legal owners of the leasehold properties are Birmingham City Council.

**Licence to occupy**

The licence to occupy properties represent the value of the land and buildings that were transferred to the schools from the registered charity The Schools of King Edward VI in Birmingham and which each school has use of on a 21 year licence to occupy that commenced 1 September 2017. The value of the land and buildings was independently valued in 2012 by GVA Grimley Ltd, Birmingham using the depreciated replacement cost method of valuation and the net book value was transferred in on conversion at 1 September 2017.

**Freehold**

Included in freehold property is land of £1,365,000 which is not depreciated.

**13. Debtors**

	2022 £	2021 £
Trade debtors	91,415	61,245
Other debtors	805,151	1,472,316
Prepayments and accrued income	1,218,650	962,207
Accrued capital grants	136,383	847,822
	<u>2,251,599</u>	<u>3,343,590</u>

**14. Current asset investments**

	2022 £	2021 £
Short term deposits	12,712,692	15,952,710
	<u>12,712,692</u>	<u>15,952,710</u>

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
(A company limited by guarantee)

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

**15. Creditors: Amounts falling due within one year**

	2022 £	2021 £
Salix loans	19,591	19,591
Trade creditors	960,072	963,982
Other taxation and social security	890,003	800,442
Amounts repayable to the Foundation (see note 32)	420,000	-
Other creditors	2,161,988	1,349,479
Accruals and deferred income	2,040,488	2,865,551
	<b>6,492,142</b>	<b>5,999,045</b>
	2022 £	2021 £
Deferred income at 1 September 2021	336,607	482,106
Resources deferred during the year	435,597	336,607
Amounts released from previous periods	(336,607)	(482,106)
	<b>435,597</b>	<b>336,607</b>

Included in deferred income are grants and other trip income received in advance of entitlement for the 22/23 academic year.

**16. Creditors: Amounts falling due after more than one year**

	2022 £	2021 £
Salix loans	71,582	91,173
	<b>71,582</b>	<b>91,173</b>

**Salix loans**

The loans amounting to £91,173 are interest free Salix loans which were agreed as part of the CIF applications before the constituent schools joined the Trust. The loans are due for repayment by instalments of which none is due for repayment after more than 5 years.

---

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
**(A company limited by guarantee)**

---

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

---

**17. Agency arrangements**

The Academy Trust distributes bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2022 the Academy Trust received £309,123 (2021: £267,223), disbursed £237,784 (2021: £252,192) and £nil (2021: £nil) was transferred in on conversion in relation to this fund. An amount of £410,510 (2021: £339,171) is included in other creditors relating to undistributed funds.

The Academy Trust distributes PGCE training bursaries to students as an agent for the NCTL. In the accounting period ending 31 August 2022 the academy received £336,000 (2021: £549,000) and disbursed £139,000 (2021: £549,000) from the fund. An amount of £197,000 (2021: £nil) is included in other creditors relating to amounts due to the NCTL.

The Academy Trust distributes funds on behalf of King Edward VI Sheldon Heath Charitable Fund. The Charitable Fund reimburses the Academy Trust on a regular basis. In the accounting period ending 31 August 2022 the academy received £nil (2021: £13,328) and disbursed £38,669 (2021: £887) from the fund. An amount of £38,073 is included in other debtors (2021: £596 creditor) relating to amounts due from the Charitable Fund.

**18. Trustees' and Officers' insurance**

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the year ended 31 August 2022 was £30,800 (2021 - £26,844). The cost of this insurance is included in the total insurance cost.

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
(A company limited by guarantee)

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

**19. Statement of funds**

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
<b>Unrestricted funds</b>						
General Funds	492,689	1,990,032	(1,903,084)	-	-	579,637
Transfer on conversion	3,431,148	565,022	-	-	-	3,996,170
	<u>3,923,837</u>	<u>2,555,054</u>	<u>(1,903,084)</u>	<u>-</u>	<u>-</u>	<u>4,575,807</u>
<b>Restricted general funds</b>						
General Annual Grant (GAG)	4,545,329	55,977,698	(52,684,802)	(908,154)	-	6,930,071
Other DfE/ESFA grants	-	4,755,359	(4,755,359)	-	-	-
LA grants	-	509,689	(509,689)	-	-	-
Funds inherited on conversion	5,125,815	-	-	-	-	5,125,815
Teaching school	205,510	157,813	(192,434)	-	-	170,889
Donations	-	951,020	(951,020)	-	-	-
Other funds	-	366,651	(366,651)	-	-	-
SALIX loans	(110,764)	-	-	19,591	-	(91,173)
Pension reserve	(25,410,000)	(3,650,000)	(2,251,000)	-	24,005,000	(7,306,000)
	<u>(15,644,110)</u>	<u>59,068,230</u>	<u>(61,710,955)</u>	<u>(888,563)</u>	<u>24,005,000</u>	<u>4,829,602</u>
<b>Restricted fixed asset funds</b>						
ESFA Capital grants	3,074,498	2,449,314	-	(1,503,421)	-	4,020,391
Tangible fixed assets	114,504,688	-	(6,213,842)	22,153,107	-	130,443,953
Foundation donation	819,128	-	-	(819,128)	-	-
Other donations	25,261	27,527	-	(52,788)	-	-
Transfer on conversion	-	19,309,207	-	(19,309,207)	-	-

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
(A company limited by guarantee)

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

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Capital funding repayable to the Foundation (see note 32)	-	(420,000)	-	420,000	-	-
	<u>118,423,575</u>	<u>21,366,048</u>	<u>(6,213,842)</u>	<u>888,563</u>	<u>-</u>	<u>134,464,344</u>
<b>Total Restricted funds</b>	<u>102,779,465</u>	<u>80,434,278</u>	<u>(67,924,797)</u>	<u>-</u>	<u>24,005,000</u>	<u>139,293,946</u>
<b>Total funds</b>	<u><u>106,703,302</u></u>	<u><u>82,989,332</u></u>	<u><u>(69,827,881)</u></u>	<u><u>-</u></u>	<u><u>24,005,000</u></u>	<u><u>143,869,753</u></u>

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

**Unrestricted funds**

These funds represent those resources which may be used towards meeting any of the charitable objects of the charitable company at the discretion of the Trustees.

**Restricted funds**

Restricted general funds comprise all other restricted funds received and include grants from the Department for Education and the Local Authority(ies).

**Restricted fixed asset funds**

These funds represents the carrying value of fixed assets that have either been received upon conversion of constituent Academies of the Trust or have been purchased from grants received from the ESFA or from The Schools of King Edward VI in Birmingham. It also includes grants from the ESFA plus other amounts received which have yet to be spent on future capital assets.

**Transfers between funds**

Transfers between funds represent capital items purchased from GAG and other capital funds and offset by capital grants spent on revenue expenditure along with other expenditure transfers. The current year transfer includes a transfer amounting to £847,000 in relation to 2021 SSEF costs incurred by King Edward VI Handsworth School that were previously shown as funded from SSEF funding in the same year.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2022.

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
(A company limited by guarantee)

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

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

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

	<i>Balance at 1 September 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2021 £</i>
<b>Unrestricted funds</b>						
General Funds	598,869	925,504	(1,031,684)	-	-	492,689
Transfer on conversion	3,431,148	-	-	-	-	3,431,148
	<u>4,030,017</u>	<u>925,504</u>	<u>(1,031,684)</u>	<u>-</u>	<u>-</u>	<u>3,923,837</u>
<b>Restricted general funds</b>						
General Annual Grant (GAG)	1,462,029	48,242,942	(44,749,941)	(409,701)	-	4,545,329
Other DfE/ESFA grants	-	5,815,431	(5,815,431)	-	-	-
LA grants	-	180,059	(180,059)	-	-	-
Other grants	-	287,724	(287,724)	-	-	-
Funds inherited on conversion	5,125,815	-	-	-	-	5,125,815
Government funding	-	3,166	(3,166)	-	-	-
Teaching school	156,247	291,240	(241,977)	-	-	205,510
Donations	-	1,180,716	(1,180,716)	-	-	-
Other funds	-	43,200	(43,200)	-	-	-
SALIX loans	(130,355)	-	-	19,591	-	(110,764)
Pension reserve	(22,824,000)	-	(1,445,000)	-	(1,141,000)	(25,410,000)
	<u>(16,210,264)</u>	<u>56,044,478</u>	<u>(53,947,214)</u>	<u>(390,110)</u>	<u>(1,141,000)</u>	<u>(15,644,110)</u>

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
(A company limited by guarantee)

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

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

**Restricted fixed asset funds**

ESFA Capital grants	2,973,807	2,030,161	-	(1,929,470)	-	3,074,498
Tangible fixed assets	110,804,139	-	(5,446,474)	9,147,023	-	114,504,688
Foundation donation	3,483,711	900,000	-	(3,564,583)	-	819,128
Other donations	-	560,469	-	(535,208)	-	25,261
Selective Schools Expansion Fund Grant	2,727,652	-	-	(2,727,652)	-	-
	<u>119,989,309</u>	<u>3,490,630</u>	<u>(5,446,474)</u>	<u>390,110</u>	<u>-</u>	<u>118,423,575</u>
<b>Total Restricted funds</b>	<u>103,779,045</u>	<u>59,535,108</u>	<u>(59,393,688)</u>	<u>-</u>	<u>(1,141,000)</u>	<u>102,779,465</u>
<b>Total funds</b>	<u><u>107,809,062</u></u>	<u><u>60,460,612</u></u>	<u><u>(60,425,372)</u></u>	<u><u>-</u></u>	<u><u>(1,141,000)</u></u>	<u><u>106,703,302</u></u>



**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
(A company limited by guarantee)

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

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

**Total funds analysis by academy**

Fund balances at 31 August 2022 were allocated as follows:

	2022 £	2021 £
King Edward VI Aston School	1,306,856	945,408
King Edward VI Camp Hill School for Boys	2,069,386	1,533,774
King Edward VI Camp Hill School for Girls	1,484,038	1,201,988
King Edward VI Five Ways School	1,743,290	1,356,357
King Edward VI Handsworth School	1,878,626	2,551,285
King Edward VI Handsworth Grammar School for Boys	1,721,400	1,359,948
King Edward VI Sheldon Heath Academy	3,146,009	2,865,549
Central Services	843,066	642,803
King Edward Consortium	171,343	205,965
King Edward VI Handsworth Wood Girls' Academy	1,513,516	948,433
King Edward VI Balaam Wood Academy	67,103	78,217
King Edward VI Northfield School for Girls	766,776	-
Total before fixed asset funds and pension reserve	<b>16,711,409</b>	13,689,727
Restricted fixed asset fund	<b>134,464,344</b>	118,423,575
Pension reserve	<b>(7,306,000)</b>	(25,410,000)
<b>Total</b>	<b>143,869,753</b>	<b>106,703,302</b>

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
(A company limited by guarantee)

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

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

**Total cost analysis by academy**

Expenditure incurred by each academy during the year was as follows:

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2022 £
King Edward VI Aston School	3,911,708	1,116,390	98,818	1,063,636	<b>6,190,552</b>
King Edward VI Camp Hill School for Boys	3,433,764	968,633	132,869	1,151,504	<b>5,686,770</b>
King Edward VI Camp Hill School for Girls	4,030,932	857,586	56,610	1,059,755	<b>6,004,883</b>
King Edward VI Five Ways School	4,743,347	1,154,951	137,643	1,363,119	<b>7,399,060</b>
King Edward VI Handsworth School	4,340,992	1,057,394	103,649	1,198,923	<b>6,700,958</b>
King Edward VI Handsworth Grammar School for Boys	3,882,068	1,034,556	143,052	1,079,925	<b>6,139,601</b>
King Edward VI Sheldon Heath Academy	5,415,981	1,265,053	214,968	993,412	<b>7,889,414</b>
Central Services	38,312	1,756,672	1,790	530,797	<b>2,327,571</b>
King Edward Consortium Teaching school	-	136,233	-	56,201	<b>192,434</b>
King Edward VI Handsworth Wood Girls' Academy	4,335,769	1,031,856	176,895	979,018	<b>6,523,538</b>
King Edward VI Balaam Wood Academy	2,285,831	741,052	48,993	496,523	<b>3,572,399</b>
King Edward VI Northfield School for Girls	3,109,083	1,143,174	93,996	640,606	<b>4,986,859</b>
<b>Academy Trust</b>	<b>39,527,787</b>	<b>12,263,550</b>	<b>1,209,283</b>	<b>10,613,419</b>	<b>63,614,039</b>

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
(A company limited by guarantee)

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

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

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

	<i>Teaching and educational support staff costs</i> £	<i>Other support staff costs</i> £	<i>Educational supplies</i> £	<i>Other costs excluding depreciation</i> £	<i>Total 2021</i> £
King Edward VI Aston School	3,728,359	998,156	92,782	918,783	5,738,080
King Edward VI Camp Hill School for Boys	3,279,669	911,947	131,724	949,630	5,272,970
King Edward VI Camp Hill School for Girls	3,926,600	802,607	73,880	825,046	5,628,133
King Edward VI Five Ways School	4,521,051	1,052,695	132,022	1,130,162	6,835,930
King Edward VI Handsworth School	4,148,565	941,258	118,262	896,505	6,104,590
King Edward VI Handsworth Grammar School for Boys	3,771,330	899,648	123,113	853,100	5,647,191
King Edward VI Sheldon Heath Academy	5,397,757	1,254,540	174,306	974,512	7,801,115
Central Services	-	1,668,576	10,311	460,734	2,139,621
King Edward Consortium	-	144,514	-	97,463	241,977
King Edward VI Handsworth Wood Girls' Academy	4,366,733	969,891	105,743	875,210	6,317,577
King Edward VI Balaam Wood Academy	2,081,113	680,439	34,613	455,549	3,251,714
<b>Academy Trust</b>	<b>35,221,177</b>	<b>10,324,271</b>	<b>996,756</b>	<b>8,436,694</b>	<b>54,978,898</b>

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
(A company limited by guarantee)

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

**20. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	<b>Unrestricted funds 2022 £</b>	<b>Restricted funds 2022 £</b>	<b>Restricted fixed asset funds 2022 £</b>	<b>Total funds 2022 £</b>
Tangible fixed assets	-	-	130,443,953	<b>130,443,953</b>
Current assets	4,575,807	18,279,326	4,440,391	<b>27,295,524</b>
Creditors due within one year	-	(6,072,142)	(420,000)	<b>(6,492,142)</b>
Creditors due after one year	-	(71,582)	-	<b>(71,582)</b>
Provisions for liabilities and charges	-	(7,306,000)	-	<b>(7,306,000)</b>
<b>Total</b>	<b>4,575,807</b>	<b>4,829,602</b>	<b>134,464,344</b>	<b>143,869,753</b>

**Analysis of net assets between funds - prior year**

	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Restricted fixed asset funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	-	-	114,504,688	114,504,688
Current assets	3,923,837	13,979,215	5,795,780	23,698,832
Creditors due within one year	-	(4,122,152)	(1,876,893)	(5,999,045)
Creditors due in more than one year	-	(91,173)	-	(91,173)
Provisions for liabilities and charges	-	(25,410,000)	-	(25,410,000)
<b>Total</b>	<b>3,923,837</b>	<b>(15,644,110)</b>	<b>118,423,575</b>	<b>106,703,302</b>

---

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
**(A company limited by guarantee)**

---

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

---

**21. Central services**

The Academy Trust has provided the following central services to its academies during the year:

- strategic support;
- governance, including the provision of a Company Secretary and Clerks;
- finance support, including dedicated Finance Managers;
- human resources and payroll, including dedicated HR Business Partners;
- estates, including support for capital projects, health and safety and the co-ordination of central contracts (e.g. insurance)
- marketing and communications; and
- admissions (where applicable).

The Academy Trust charges for these services on the following basis:

Each academy pays a contribution to central services. For 2021/22 this was based on a standard figure of £100,000.

The actual amounts charged during the year were as follows:

	<b>2022</b>	<i>2021</i>
	<b>£</b>	<b>£</b>
King Edward VI Aston School	<b>100,000</b>	<i>90,000</i>
King Edward VI Camp Hill School for Boys	<b>100,000</b>	<i>90,000</i>
King Edward VI Camp Hill School for Girls	<b>100,000</b>	<i>90,000</i>
King Edward VI Five Ways School	<b>100,000</b>	<i>90,000</i>
King Edward VI Handsworth School	<b>100,000</b>	<i>90,000</i>
King Edward VI Handsworth Grammar School for Boys	<b>100,000</b>	<i>87,000</i>
King Edward VI Sheldon Heath	<b>100,000</b>	<i>86,603</i>
King Edward VI Handsworth Wood Girls Academy	<b>100,000</b>	<i>84,997</i>
King Edward VI Balaam Wood Academy	<b>100,000</b>	<i>84,997</i>
King Edward VI Northfield School for Girls	<b>100,000</b>	<i>-</i>
<b>Total</b>	<b>1,000,000</b>	<i>793,597</i>

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
(A company limited by guarantee)

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

**22. Reconciliation of net income to net cash flow from operating activities**

	<b>2022</b>	<b>2021</b>
	£	£
Net income for the year (as per Statement of financial activities)	<b>13,161,451</b>	35,240
<b>Adjustments for:</b>		
Depreciation	<b>6,213,842</b>	5,446,474
Capital grants from DfE and other capital income	<b>(2,056,841)</b>	(3,490,630)
Pension scheme liabilities assumed on conversion	<b>3,650,000</b>	-
Defined benefit pension scheme finance cost	<b>494,000</b>	353,000
Defined benefit pension scheme service cost	<b>1,757,000</b>	1,092,000
Decrease/(increase) in debtors	<b>380,552</b>	(452,050)
Increase in creditors	<b>1,858,178</b>	1,001,321
Fixed assets transferred on conversion	<b>(19,309,207)</b>	-
<b>Net cash provided by operating activities</b>	<b>6,148,975</b>	<b>3,985,355</b>

**23. Cash flows from financing activities**

	<b>2022</b>	<b>2021</b>
	£	£
Repayments of borrowing	<b>(19,591)</b>	(19,591)

**24. Cash flows from investing activities**

	<b>2022</b>	<b>2021</b>
	£	£
Purchase of tangible fixed assets	<b>(4,208,981)</b>	(9,147,023)
Capital funding received from sponsors and others	<b>2,768,280</b>	8,560,167
Cash invested in/(transferred out) of current asset investment	<b>3,240,018</b>	(7,003,387)
<b>Net cash provided by/(used in) investing activities</b>	<b>1,799,317</b>	<b>(7,590,243)</b>

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
(A company limited by guarantee)

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

**25. Analysis of cash and cash equivalents**

	<b>2022</b>	<i>2021</i>
	£	£
Cash in hand and at bank	<b>12,331,233</b>	<i>4,402,532</i>

**26. Analysis of changes in net debt**

	<b>At 1 September 2021</b>	<b>Cash flows</b>	<b>Other non- cash changes</b>	<b>At 31 August 2022</b>
	£	£	£	£
Cash at bank and in hand	4,402,532	7,928,701	-	12,331,233
Debt due within 1 year	(19,591)	19,591	(19,591)	(19,591)
Debt due after 1 year	(91,173)	-	19,591	(71,582)
Liquid investments	15,952,710	(3,240,018)	-	12,712,692
	<b>20,244,478</b>	<b>4,708,274</b>	<b>-</b>	<b>24,952,752</b>

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
(A company limited by guarantee)

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

**27. Conversion to an academy trust**

On 1 September 2021 King Edward VI Northfield School for Girls converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to King Edward VI Academy Trust Birmingham from Birmingham City Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance sheet under the appropriate heading with a corresponding net amount recognised as a net gain in the Statement of financial activities as Income from Donations and Capital Grants - transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of financial activities.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
<b>Tangible fixed assets</b>				
Freehold land and buildings	-	-	19,035,000	<b>19,035,000</b>
Other tangible fixed assets	-	-	274,207	<b>274,207</b>
<b>Current assets</b>				
Cash - representing budget surplus on LA funds	565,022	-	-	<b>565,022</b>
<b>Non-current liabilities</b>				
LGPS pension deficit	-	(3,650,000)	-	<b>(3,650,000)</b>
<b>Net assets/(liabilities)</b>	<u>565,022</u>	<u>(3,650,000)</u>	<u>19,309,207</u>	<u><b>16,224,229</b></u>

**28. Capital commitments**

	2022 £	2021 £
Contracted for but not provided in these financial statements	<u><b>822,348</b></u>	<u>1,445,919</u>



---

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
**(A company limited by guarantee)**

---

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

---

**29. Pension commitments**

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

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

Contributions amounting to £861,916 were payable to the schemes at 31 August 2022 (2021 - £783,653) and are included within creditors.

**Teachers' Pension Scheme**

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

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

**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 2016. 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% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2024.

---

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
**(A company limited by guarantee)**

---

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

---

**29. Pension commitments (continued)**

The employer's pension costs paid to TPS in the year amounted to £5,654,376 (2021 - £5,554,895).

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

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £2,565,000 (2021 - £1,988,000), of which employer's contributions totalled £2,168,000 (2021 - £1,662,000) and employees' contributions totalled £ 397,000 (2021 - £326,000). The agreed contribution rates for future years are 21.7% per cent for employers and between 5.5% and 12.5% per cent for employees.

As described in note 27 the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

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

The trust has entered into an agreement to make contributions in addition to normal funding levels due to the scheme being in deficit. It is anticipated that the additional contributions will be paid over the following year as follows:

2022/23: **£621,489**

**Principal actuarial assumptions**

	<b>2022</b>	<i>2021</i>
	%	%
Rate of increase in salaries	<b>4.05</b>	3.90
Rate of increase for pensions in payment/inflation	<b>3.05</b>	2.90
Discount rate for scheme liabilities	<b>4.25</b>	1.65

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

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
(A company limited by guarantee)

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

**29. Pension commitments (continued)**

	<b>2022</b>	<i>2021</i>
	<b>Years</b>	<i>Years</i>
<i>Retiring today</i>		
Males	<b>21.2</b>	<i>21.6</i>
Females	<b>23.6</b>	<i>24.0</i>
<i>Retiring in 20 years</i>		
Males	<b>22.9</b>	<i>23.4</i>
Females	<b>25.4</b>	<i>25.8</i>

**Sensitivity analysis - impact on net obligation**

	<b>2022</b>	<i>2021</i>
	<b>£000</b>	<i>£000</i>
Discount rate +0.1%	<b>6,546,000</b>	<i>49,824,000</i>
Discount rate -0.1%	<b>8,066,000</b>	<i>52,232,000</i>
Mortality assumption - 1 year increase	<b>8,708,000</b>	<i>53,295,000</i>
Mortality assumption - 1 year decrease	<b>5,904,000</b>	<i>48,831,000</i>
CPI rate +0.1%	<b>7,968,000</b>	<i>52,088,000</i>
CPI rate -0.1%	<b>6,644,000</b>	<i>49,963,000</i>

**Share of scheme assets**

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

	<b>At 31</b>	<i>At 31 August</i>
	<b>August 2022</b>	<i>2021</i>
	<b>£</b>	<i>£</i>
Equities	<b>16,643,400</b>	<i>15,873,860</i>
Corporate bonds	<b>7,489,530</b>	<i>6,144,720</i>
Property	<b>3,051,290</b>	<i>2,816,330</i>
Cash and other liquid assets	<b>554,780</b>	<i>768,090</i>
<b>Total market value of assets</b>	<b>27,739,000</b>	<i>25,603,000</i>

The actual return on scheme assets was £832,170 (2021 - £3,713,000).

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
(A company limited by guarantee)

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

**29. Pension commitments (continued)**

The amounts recognised in the Statement of financial activities are as follows:

	2022 £	2021 £
Current and past service cost	3,925,000	2,754,000
Net interest on defined liability	494,000	351,000
Administrative expenses	-	2,000
<b>Total amount recognised in the Statement of financial activities</b>	<b>4,419,000</b>	<b>3,107,000</b>

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

	2022 £	2021 £
<b>At 1 September</b>	<b>51,013,000</b>	<b>43,007,000</b>
Conversion of academy trusts	4,592,000	-
Current service cost	3,908,000	2,754,000
Past service cost	17,000	-
Interest cost	948,000	688,000
Employee contributions	397,000	326,000
Actuarial (gains)/losses	(25,298,000)	4,517,000
Benefits paid	(532,000)	(279,000)
<b>At 31 August</b>	<b>35,045,000</b>	<b>51,013,000</b>

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

	2022 £	2021 £
<b>At 1 September</b>	<b>25,603,000</b>	<b>20,183,000</b>
Conversion of academy trusts	942,000	-
Interest income	454,000	337,000
Actuarial (losses)/gains	(1,293,000)	3,376,000
Employer contributions	2,168,000	1,662,000
Employee contributions	397,000	326,000
Benefits paid	(532,000)	(279,000)
Administration expenses	-	(2,000)
<b>At 31 August</b>	<b>27,739,000</b>	<b>25,603,000</b>

---

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
**(A company limited by guarantee)**

---

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

---

**30. Operating lease commitments**

At 31 August 2022 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	2021 £
Not later than 1 year	49,598	32,338
Later than 1 year and not later than 5 years	69,277	24,539
	<u>118,875</u>	<u>56,877</u>

**31. Members' liability**

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

**32. Related party transactions**

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

	2022 £	2021 £
Grants from the Foundation to the Academy Trust	58,850	958,500
Fees received for KES Teacher training at KEC	7,000	13,000
Costs incurred by the Academy Trust and reimbursed by the Foundation	39,900	3,199
Payments made from Foundation Restricted Funds to the Academy Trust	5,664	345
	<u>111,414</u>	<u>975,044</u>

**KING EDWARD VI ACADEMY TRUST BIRMINGHAM**  
(A company limited by guarantee)

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

	<b>2022</b>	<b>2021</b>
	£	£
<b>Expenditure</b>		
Costs incurred by the Foundation and recharged to the Academy Trust	<b>18,918</b>	11,931
Secondment of Staff to the Academy Trust	<b>832,823</b>	668,554
	<u><b>851,741</b></u>	<u>680,485</u>
	<b>2022</b>	<b>2021</b>
	£	£
<b>Balance Sheet</b>		
Amounts owed to/from the Foundation at 31 August 2022:		
Capital project under-spend due to the Foundation in relation to donation in prior years	<b>(420,000)</b>	-
Other income paid to the Academy Trust	-	6,310
Recharge amounts due to the Foundation at 31 August 2022	<b>(7,268)</b>	(14,977)
	<u><b>(427,268)</b></u>	<u>(8,667)</u>

**33. Post balance sheet events**

King Edward VI Lordswood School for Girls (formerly known as Lordswood Girls' School and Sixth Form Centre) joined the Trust 1 September 2022.