

BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019

**BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

CONTENTS

	Page
Reference and Administrative Details	1 - 2
Directors' report	3 - 17
Governance Statement	18 - 21
Statement on Regularity, Propriety and Compliance	22
Independent Auditors' Report on the Financial Statements	23 - 25
Independent Reporting Accountant's Report on Regularity	26 - 27
Statement of Financial Activities Incorporating Income and Expenditure Account	28
Balance Sheet	29
Statement of Cash Flows	30
Notes to the Financial Statements	31 - 68

BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Chair of the Board: Mrs S E Smith Appointed by the Bishop of Birmingham: Mr A Halstead Mr H Osborne (resigned 17 December 2018) Rev'd Canon M Pryce (appointed 11 March 2019) Appointed by the Birmingham Diocesan Board of Education: Mr P French (resigned 31 December 2018) Mrs P Saunders Very Rev'd M Thompson (appointed 1 January 2019)
Directors	Mrs S E Smith, Chair of Directors Mrs C S Arrowsmith Ms M J Crooks Mr G B Harley-Mason Mr S M Haynes (resigned 12 December 2018) Ms O Jenkins (appointed 15 April 2019) Mr K Khan (appointed 23 July 2019) Ms H Leung (appointed 24 September 2019) Mr C D Mansell, CEO and Accounting Officer Mr N Oram (appointed 11 March 2019) Mr N C Pilditch Rev'd B Scott Mr S M Skakel Dr J A Smart
Company registered number	10729883
Company name	Birmingham Diocesan Multi-Academy Trust
Principal and registered office	1 Colmore Row Birmingham West Midlands B3 2BJ
Accounting Officer	C Mansell
Senior management team	C Mansell, Chief Executive Officer and Accounting Officer C Manning, Chief Finance and Operations Officer (appointed 18 March 2019) D Lewis, Chief Financial Officer (resigned 31 December 2018) S Cosgrove, Chief School Effectiveness Officer (appointed 1 January 2019)
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors 1-3 College Yard Worcester WR1 2LB

**BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

Bankers	Lloyds Bank Units 2 & 3 Caxton Gate 36/38 New Street Birmingham West Midlands B2 4LP
Solicitors	Anthony Collins Solicitors 134 Edmund Street Birmingham B3 2ES

**BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**DIRECTORS REPORT
FOR THE YEAR ENDED 31 AUGUST 2019**

The Directors present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2018 to 31 August 2019. The Annual report serves the purposes of both a Directors' report, and a Directors' report under company law.

Birmingham Diocesan Multi-Academy Trust (BDMAT) operated 12 primary academies in Birmingham, Warwickshire and Solihull in the academic year 2018-2019. The 12 schools have a combined pupil capacity of 3,305 and had a roll of 3,004 during 2018/19.

For operational purposes we refer to ourselves as BDMAT and that is used throughout this document.

During the year, on the 23 January 2019 BDMAT changed its name from Birmingham Diocese Academies Trust to Birmingham Diocesan Multi-Academy Trust.

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. CONSTITUTION

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

The charitable company's Memorandum of Association is the primary governing document of the Academy.

The Directors of Birmingham Diocesan Multi-Academy Trust are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Birmingham Diocesan Multi-Academy Trust.

Details of the Directors who served during the period, and to the date these accounts are approved are included in the Reference and administrative details on page 1.

The following schools were part of the BDMAT during the period covered by this report:

- Hawkesley Church of England Primary Academy
- The Nethersole Church of England Academy
- St Clement's Church of England Academy
- St George's Church of England Primary School, Edgbaston
- St George's Church of England Academy, Newtown
- St Michael's Church of England Primary Academy, Handsworth
- St Margaret's Church of England Primary School (Joined 1 September 2018)
- Coleshill Church of England Primary School (Joined 1 September 2018)
- Holy Trinity Church of England Primary Academy, Handsworth (Joined 1 January 2019)
- St Michael's Church of England Primary School, Bartley Green (Joined 1 January 2019)
- Nonsuch Primary School (non-church school, Joined 1 January 2019)
- Quinton Church of England Primary School (Joined 1 January 2019)

In addition, the following schools joined BDMAT in the 2019/20 academic year:

- Austrey Church of England Primary School (Joined 1 September 2019)
- Newton Regis Church of England Primary School (Joined 1 September 2019)
- Warton Nethersole Church of England Primary School (Joined 1 September 2019)
- Woodside Church of England Primary School (Joined 1 September 2019)

**BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**DIRECTORS REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

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. DIRECTORS' INDEMNITIES

From incorporation, the Trust has opted into the Department for Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on BDMAT business, and provides cover up to £10,000,000. It is not possible to quantify the Directors' and officers' indemnity element from the overall cost of the RPA scheme.

The directors considered the cover offered by the RPA scheme to be sufficiently comprehensive to cover appropriate risk for BDMAT as well as good value for money.

d. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF DIRECTORS

As set out in the Memorandum and Articles of Association for BDMAT, the members of BDMAT are the two persons appointed by the Bishop of Birmingham and the two persons appointed by Birmingham Diocesan Board of Education and the Chair of the Board of Directors of BDMAT.

These Members then appoint further directors in accord with the articles of association. The Board of directors of BDMAT is the overarching and statutory governing body for each school within BDMAT.

A Local Academy Board (LAB) for each individual school has been established to undertake the day to day governance of the school in line with the agreed Scheme of Delegation.

e. POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF DIRECTORS

The Directors are all members of the National Governors Association (NGA) with access to the NGA learning platform. Each year, the CEO arranges a Directors' Development day which provides training and updates of their role and additional training throughout the year as needed or requested by Directors.

The training and induction provided for new Directors will depend upon their existing experience but would always include a tour of one of the schools and a chance to meet staff and pupils. All Directors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Directors. As there are only a small number of new Directors during a year, induction is tailored specifically to the individuals. In addition during 2019/20 a schedule of training for Directors is being implemented to correspond with Board meetings during the year.

DIRECTORS REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

f. ORGANISATIONAL STRUCTURE

The Board of Directors normally meets at least once each term. The Board has established an overall framework for the governance of the Trust and determines membership, terms of reference and procedures of Committees and other groups. It receives reports, including policies from its committees for ratification. It monitors the activities of the committees through the minutes of their meetings. The Board may from time to time establish working groups to perform specific tasks over a limited timescale.

There are two committees as follows;

Finance and Resources Committee (incorporating the Governance, Risk and Audit Committee) - this meets at least four times a year and is responsible for monitoring, evaluating and reviewing the Trust's performance in relation to financial management; budget setting; capital expenditure; and other non-educational matters.

The meetings also incorporate the work of the Governance, Risk and Audit Committee which is responsible for monitoring the Trust's compliance with reporting and regulatory requirements; receiving reports from the internal audit; and monitoring the Trust's management of risk.

School Effectiveness Committee - this meets once a term to monitor, evaluate and review Trust policy, practice and performance in relation to curriculum planning; target setting and assessment; examinations; and pastoral issues.

The Finance and Resources Committee has a Pay Sub Committee responsible for setting the remuneration of key management personnel.

The following decisions are reserved for the Board of Directors:

- to consider any proposals for changes to the status or constitution of the Trust and its committee structure;
- to appoint or remove the Chair;
- to appoint the Chief Executive Officer and Clerk to the Directors; and
- to approve the Trust's Development Plan and budget.

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

The Directors have devolved responsibility for day to day management of the Trust to the Chief Executive Officer and Senior Leadership Team (SLT). The SLT comprises the Chief Executive Officer, Chief School Effectiveness Officer and the Chief Finance and Operations Officer. The SLT implement the policies laid down by the Directors and report back to them on performance.

The SLT controls BDMAT at an executive level, implementing the policies laid down by the Directors and reporting back to them. The Headteachers and LABs are responsible for the authorisation of spending within agreed budgets; a summary of this is in the Scheme of Delegation. Some spending control is devolved to Budget Holders which must be authorised in line with the Scheme of Delegation. The Headteacher is responsible for the appointment of staff, though appointment panels for teaching posts always include a Governor. The CEO is responsible for the appointment of headteachers and in priority schools for other members of the school's senior leadership team.

BDMAT comprised of twelve primary schools in the year ended 31 August 2019 and currently comprises sixteen primary schools. Each school has its own Governing Body with responsibilities set out in the Scheme of Delegation and the LAB Handbook.

The Chief Executive Officer is the Accounting Officer.

**BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**DIRECTORS REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

g. ARRANGEMENTS FOR SETTING PAY AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

The Board of Directors and the senior leadership team comprise the key management personnel of the Trust in charge of directing and controlling, running and operating the Trust on a day to day basis. All Directors give their time freely and no Trustee received remuneration in the year.

Details of Director's expenses and related party transactions are disclosed in notes 13 and 32 to the accounts.

Working in the academy sector, BDMAT believes that it is important to be transparent about pay levels of its key management personnel and how those salaries are set. Our salaries are benchmarked against similar roles in the academy sector. BDMAT reference the recognised pay scale for the sector, however, some flexibility may be applied to take into consideration the specific requirements for each post and ensure we recruit and retain the best people for the role with both the skills required and the passion for the services. This is undertaken by the Pay Committee, which is a sub committee of the Finance and Resources Committee.

h. RELATED PARTIES AND OTHER CONNECTED CHARITIES AND ORGANISATIONS

Services for Education Limited is a related party as Sarah Smith, Director of the BDMAT is also a Trustee of Services for Education. Services for Education Limited is registered charity and Sarah Smith as a Trustee is not paid by them. The transactions with Services for Education Limited are undertaken at arm's length and are disclosed in note 32 in these financial statements.

The Trust works closely with many schools within the Birmingham City Council, Warwickshire, and Solihull Local Authorities and with the Birmingham Diocese to further the principal activities within the Trust.

BDMAT head office is based within the Diocese of Birmingham's offices in central Birmingham. BDMAT pays the Birmingham Diocese Board of Finance for the use of six office desks during the year and accompanying meeting rooms.

The Birmingham Diocesan Board of Education recognised additional financial support would be required during the first two years of operation of BDMAT and approved a startup grant of £270,000. £135,000 was utilised in the period to 31 August 2018 and the remaining £135,000 has been utilised during the period up to 31 August 2019 to cover the salaries of the head office staff.

There are no related parties which either control or significantly influence the decisions and operations of BDMAT.

i. TRADE UNION FACILITY TIME

The total cost of the time spent on the trade union facility was £2,620 which amounts to 0.2% of the total pay bill in the year of £12,284,000. There were no employees who were relevant union officials during the period.

DIRECTORS REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

OBJECTIVES AND ACTIVITIES

a. OBJECTS AND AIMS

BDMAT's Mission:

To provide high quality education within a Christian framework that allows all pupils to reach their full potential through experiencing a broad and balanced curriculum whilst ensuring staff have a good life/work balance and are fulfilled in their roles.

BDMAT's Vision and Values:

BDMAT has adopted the values of the Church of England, as articulated in the document 'Deeply Christian, Serving the Common Good' which sets out the vision for education that the Church of England believes should be seen in all schools, and not just those of a Christian foundation, as a result the values apply equally to our church schools and our non-church school.

'Deeply Christian, Serving the Common Good' is inspired, as we are within BDMAT by scripture, in particular John 10:10 where Jesus declares "I have come that they may have life, and have it to the full". The words of Jesus act as a guide for our vision, which is encompassed in our three guiding principles:

- Life in its fullness for all
- Success for all
- Positive well being for all

These principles will be delivered via our values as we believe that education should be about:

Educating for Dignity and Respect including vigilant safeguarding. It is especially important that the equal worth of those with and without special educational needs and disabilities is recognised in practice.

Educating for Wisdom, Knowledge and Skills nurturing academic habits and skills, emotional intelligence and creativity across the whole range of school subjects, and also what one needs to understand and practise in order to be a good person, citizen, parent, employee, team or group member, or leader.

Educating for Hope and Aspiration opening up horizons of hope and aspiration, and guiding pupils into ways of fulfilling them, including coping wisely with things and people going wrong.

Educating for Community and Living Well Together the conviction that we are created and sustained by God for living together in families and communities is the root of our dedication to educating for life together.

**BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**DIRECTORS REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

OBJECTIVES AND ACTIVITIES (CONTINUED)

b. OBJECTIVES, STRATEGIES AND ACTIVITIES

BDMAT has 10 strategic aims and these are:

- 1) Education is led by BDMAT's vision and values, and for our Church of England schools these are embedded within a Christian ethos.
- 2) To work in partnership with parents and carers to promote pupils' social, moral, spiritual, cultural and physical development within happy and caring environments.
- 3) Every school provides a broad and balanced curriculum that equips all pupils to thrive, achieve their goals, succeed in later life, contribute to a diverse society and respect the environment.
- 4) Pupils are provided with effective pastoral support and safeguarding arrangements meet all national and local requirements.
- 5) Our schools are at the heart of the communities that they serve, collaborating with the church, other schools, stakeholders and organisations in the area to best support their community.
- 6) We promote pupils' intellectual development as evidenced through external and internal indicators that demonstrate the vast majority of pupils make good or better progress in our schools and as a result, attainment is high in all of our schools or improving rapidly.
- 7) All of our schools are graded at 'good' or better by Ofsted or are improving rapidly towards achieving at least 'good' at the next inspection.
- 8) The practice of staff is enhanced by high quality professional development and performance management systems.
- 9) The Trust has highly effective pastoral arrangements in place for staff who, as a result, feel supported and have good life / work balance and the Trust is recognised as a good employer for staff.
- 10) The Trust is sustainable, with secure finances allowing high quality services to underpin our work, ensuring staff in schools are able to concentrate on providing effective provision for their pupils.

DIRECTORS REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

OBJECTIVES AND ACTIVITIES (CONTINUED)

c. PLANS FOR FUTURE PERIODS

In order to work towards the delivery of the strategic aims the Trust is focusing on the following activities for the 2019/20 year:

1) Consolidate the Trust following rapid expansion over the last 12 months

Over the last year BDMAT has increased in size by 10 schools. 2019/20 provides an opportunity for the consolidation of operations including the development of standardised systems which will ensure that the Trust is well positioned for any future expansion and that its existing schools will realise the benefits of working within a Multi Academy Trust.

2) Implement the Trust's new Strategic Development Plan

The Trust is developing a new 5 year strategic plan to address the key challenges and priorities facing both the Trust and its individual schools. The strategic plan will include measurable milestones and KPIs to ensure progress can be monitored and reviewed.

3) Continue the improvement in education and levels of pupils' performance across the Trust

Expansion of the educational support provided by the Trust is planned for 2019/20 with the employment of two Teaching and Learning Consultants and an Executive Leader. In addition, the Trust is developing a hub model to improve the sharing of best practice within its schools. These hubs will consist of 5-6 schools from within the Trust in a shared geographical area and will each be supported by a dedicated School Improvement Advisor.

4) Development and improvement the services offered to schools

Trust wide procurement activities will begin in September 2019 to realise financial savings for school and improved service provision. Estates and ICT services will be expanded during the year and catering operations will be reviewed as part of the Strategic Development Plan.

5) Investment in the school facilities

The Trust will develop estates and ICT strategies during 2019/20 which will be supported by full costed investment plans covering the next 10 years.

The Trust is expecting to be eligible for School Capital Allowance (SCA) funding from April 2020 which will support the investment in the estates with further investment coming from reserves, in line with the reserves policy.

6) Development of Christ Church Church of England Secondary Academy for opening in September 2021

Building activities for the secondary free school are due to commence by the end of 2019 and recruitment activities for key staff members will also commence during 2019/20.

**BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**DIRECTORS REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

OBJECTIVES AND ACTIVITIES (CONTINUED)

d. PUBLIC BENEFIT

The Directors confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Trust's aims and objectives and in planning its future activities.

BDMAT aims to advance, for public benefit, education in the Diocese of Birmingham. In particular, but without prejudice to the generality of the foregoing by establishing, maintaining, managing and developing schools, offering a broad curriculum in both Church of England schools and other schools whether with or without a designated religious character, but in relation to each of the schools to recognise and support their individual character and respect the different background of each and its links to the local communities that it serves through a range of extra curricular and respect the different background of each and its links to the local community which it serves.

BDMAT are working to support all of the schools within the Trust and to develop a culture of mutual support and development across these schools. Within the broader diocesan context, each of these schools remain part of the broader family of church schools and part of that network. The commitment to developing a high quality curriculum, delivered by well trained and effective teachers and support staff, and the sharing of expertise continues.

**DIRECTORS REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

STRATEGIC REPORT

a. ACHIEVEMENTS AND PERFORMANCE

Strategic achievements 2018/19:

These areas were identified as key activities for the development of the Trust in 2018/19, the progress against these is detailed below:

1) Increase the number of schools within BDMAT through a managed growth plan:

During 2018/19 BDMAT has grown from 6 to 12 schools, with a further 4 schools joining the Trust on 1 September 2019. As a result of this growth, increased central capacity now exists within BDMAT to support schools and realise the benefits for being part of a Multi Academy Trust.

2) Provide outstanding education and improve the levels of performance of pupils:

BDMAT was able to deploy experienced School Improvement Advisors within schools to provide challenge and support in improving education and outcomes for pupils, this work was supported by the recruitment of three Lead Practitioners during the year.

The Trust delivered a strong range of CPD activity for the schools during 2018/19 which is continuing into 2019/20.

3) Improve leadership:

During 2018/19 the leadership capacity of the Trust has been improved through the recruitment of a Chief School Effectiveness Officer and Chief Finance and Operations Officer, as well as a Head of Finance for the Trust.

Leadership secondment opportunities for staff within the Trust have existed during the year, further improving the depth of knowledge and experience within BDMAT.

4) Improve services offered to schools:

With the expansion of the BDMAT team the Trust has put the foundations in place to expand the services offered, particularly around finance, procurement and estates management.

School Performance 2018/19:

A number of schools within BDMAT serve some of the most deprived areas within the city of Birmingham, including in Handsworth, Ladywood, Nechells and Hawkesley. In addition, the Trust has two schools within the DFE priority area of North Warwickshire – an area of statistical underperformance, deprivation and low aspiration. Despite the challenges that faced the Trust, we are seeing year-on-year improvements in the attainment at the majority of our schools within BDMAT.

The data below shows Key Stage 2 data for 'secondary readiness' (the percentage of pupils who achieve combined national expectations in reading, writing and maths) in a number of different ways to highlight the improvements the Trust is making.

**BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**DIRECTORS REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

STRATEGIC REPORT (CONTINUED)

The following table shows the % combined over the last three academic years for each of the BDMAT schools

School	St Georges Newtown	St Georges Edgbaston	St Clements	Nethersole	Hawkesley	St Michaels Handsworth	Coleshill	St Margarets	Nonsuch	St Michaels BG	Holy Trinity	Quinton
Combined 2017	35	66	62	49	32	38	62	69	32	50	46	67
Combined 2018	43	79	65	61	35	48	64	66	30	57	58	53
Combined 2019	57	66	69	35	50	43	74	70	57	55	59	66
Change since joining BDMAT	+22	0	+7	-14	+18	+5	+10	+4	+27	-2	+1	+13
Date Joined BDMAT	Sept 2017						Sept 2018		Jan 2019			

The figures above show that there has been demonstrable improvements in a number of schools since they joined BDMAT; in particular, St George's Primary, Newtown, Hawkesley Primary, Coleshill Primary, Nonsuch Primary and Quinton Primary. Although a number of these are still to reach the national average, the gap is closing rapidly in these schools and it is hoped that national averages will be reached in the near future.

The graph below shows that when all the Year 6 data is combined from our schools there has been a continuous improvement in secondary school readiness.

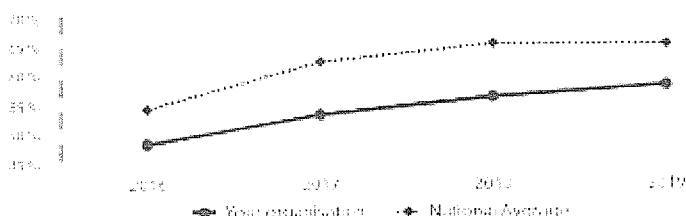
% Expected standard+ (Re, Wr, Ma)

58%

FFT Rank

100

Still firmly below the national average (59.5%)



DIRECTORS REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

STRATEGIC REPORT (CONTINUED)

The charts below present our data in another format and also includes the progress pupils made from Key Stage 1 to Key Stage 2. These show that the progress being made by pupils is still not at the average but as charts for 2017 compared to 2019 show there has been significant improvements made (note that the 2017 data includes all schools currently in the Trust, although in 2017 there were only 6 schools in BDMAT).

KS2 Attainment 2017 - Actual results
 346 pupils

Average Scaled Score (Re, Ma) % Expected standard+ (Re, Wr, Ma)

102.3

53%



Significantly below the national average (104.7)



Significantly below the national average (62.4)

KS2 Progress 2017 - Value Added
 346 matched pupils

Average Scaled Score (Re, Ma) % Expected standard+ (Re, Wr, Ma)

-1.8

-10%



Significantly below the national average (0.0)



Significantly below the national average (0%)

KS2 Attainment 2019 - Actual results
 410 pupils

Average Scaled Score (Re, Ma) % Expected standard+ (Re, Wr, Ma)

103.1

58%



Significantly below the national average (104.7)



Significantly below the national average (62.4)

KS2 Progress 2019 - Value Added
 387 matched pupils

Average Scaled Score (Re, Ma) % Expected standard+ (Re, Wr, Ma)

-1.3

-5%



Significantly below the national average (0)



Significantly below the national average (0%)

b. GOING CONCERN

After making appropriate enquiries, the board of Directors has a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies on page 31.

**BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**DIRECTORS REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

STRATEGIC REPORT (CONTINUED)

c. FRAUD, MISS USE OF FUNDS AND SAFEKEEPING OF ASSETS

BDMAT has a chartered accountant as Chief Finance & Operations Officer who is responsible for management finance. The Directors agreed a programme of additional work with the auditors to review internal controls and process as required by the Academies Financial Handbook. This internal audit work includes ensuring that BDMAT's financial policies are adhered to. Reports are prepared for the Finance & Resources committee, which fulfils the role of the Finance Committee and Audit Committee as described in the Academies Financial Handbook.

The Directors are mindful of the negative publicity of instances of irregularities in a small number of other unconnected academies which has been reported in the press. They are therefore robust in setting internal controls, are diligent in setting BDMAT's budget and monitoring performance closely.

The Directors also ensures that BDMAT maintains insurance cover, including use of the RPA scheme.

d. FUNDRAISING ACTIVITIES/INCOME GENERATION

The schools within BDMAT seek to increase income where possible. This includes the letting of school halls and building facilities to third parties. These arrangements are subject to checks on the third party including for safeguarding, insurance and risk assessment of activities.

When supplying trips, materials or other activities to pupils, all schools consider whether charges can be made in line with the income policy. This includes whether to request voluntary contributions from parents to help fund activities. Such requests are clearly identified as voluntary contributions.

a. FINANCIAL REPORT FOR THE YEAR

Most of BDMAT's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the period ending 31 August 2019 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities on page 30.

BDMAT also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in BDMAT's accounting policies.

During the year 31 August 2019, BDMAT received total income of £34,842,114 (2018: £22,699,141) and incurred total expenditure of £17,479,347 (2018: £9,576,860). The excess of income over expenditure for the year was £17,362,767 (2018: £13,122,281). These balances include the impact of the transfer of assets into BDMAT which totalled £18,028,609 (2018: £13,670,624). The operating deficit of BDMAT during the year ended 31 August 2019 was £108,023 (2018: a surplus of £8,848).

At 31 August 2019 the net book value of fixed assets was £37,528,731 (2018: £17,584,593) and movements in tangible fixed assets are shown in note 15 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Trust.

The land, buildings and other assets were transferred to the Trust upon conversion. Land and buildings were transferred in at the value included in the closing accounts of the previous trusts. Other assets have been included in the financial statements at a best estimate, taking into account purchase price and remaining useful lives. On 1 September 2018 Coleshill Church of England Primary School and St Margaret's Church of England Primary School converted into the Trust. The valuation of land and buildings on conversion have been derived from a benchmarking exercise against schools already in the Trust as the valuation has not been received. The valuation of these land and buildings will be reflected in the accounts ending 31 August 2020 once received.

**BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**DIRECTORS REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

STRATEGIC REPORT (CONTINUED)

BDMAT has taken on the deficit in the Local Government Pension Scheme in respect of its non teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 28 to the financial statements.

In 2019, the Directors have been advised by the actuaries of both Local Government Pension Schemes that the provision to fund the non-academic employees' pensions is £10,940,000 representing a shortfall in payments that would be required to fund these final salary pension schemes should they be realised. The Trust continues to examine ways to manage this shortfall in payments.

The effect of this deficit position of the pension scheme is that the Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct demands on the cash reserves of the Trust.

b. RESERVES POLICY

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

The Directors have determined that the appropriate level of free reserves should be one month's payroll which is approximately £1,000,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies.

Where reserves are in excess of the above requirement, the policy of the Directors is to allocate reserves for investment in tangible fixed assets in all ways possible to assist in the achievement of the Trust's Strategic Aims. The Trust will, during 2019/20 develop detailed plans to spend these monies on future capital projects as part of a ten year programme for each school. Additionally the Trust will seek to make payment in advance of the £920,000 LGPS deficit reduction payments required over the next 3 years in order to realise a saving of £59,000 (6.4%).

Total reserves of the Trust amount to £40,541,048 (2018: £18,570,281 (less pension liability of £10,953,000 (2018: £4,574,000)), although £37,515,558 (2018: £17,688,179) of this is invested in fixed assets or represents non-revenue restricted funds. The remaining £3,025,490 (2018: £882,102) (representing £2,995,544 (2018: £801,254) unrestricted funds and £29,946 (2018: £80,848) unspent reserve funds) is the balance that the Directors monitor in accordance with the Board's reserves policy. This represents nearly 3 months (2018: less than 1 month) of normal recurring salary expenditure.

BDMAT can confirm that the reserve policy has been met this year.

c. MATERIAL INVESTMENT POLICY

Due to the nature and timing of receipt of funding, BDMAT may at times hold cash balances surplus to its short term requirements. The Directors have authorised the opening of additional short term bank investment accounts to take advantage of higher interest rates within our existing banking arrangements.

Directors are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Day to day management of the surplus funds is delegated to the Chief Executive Officer and Chief Finance and Operations Officer within strict guidelines approved by the Board of Directors.

**BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**DIRECTORS REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

STRATEGIC REPORT (CONTINUED)

d. PRINCIPAL RISKS AND UNCERTAINTIES

The Board of Directors have assessed the major risks to which the Trust is exposed, in particular those relating to its finances, teaching, facilities and other operational areas.

The Directors examine the financial health, reviewing performance against budgets and overall expenditure by means of updated reports at all Board meetings and via its Finance and Resources Committee. At the year end the Trust had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity.

The Board of Directors recognise that the defined benefit scheme deficit (Local Government Pension Scheme) which is set out in Note 28 to the financial statements, represents a significant potential liability. However, Parliament has agreed, at the request of the Secretary of State of Education, to a guarantee that, in the event of school closure, outstanding local government pension scheme liabilities would be met by the Department for Education. This guarantee came into force on 18 July 2013.

The Trust has agreed a Risk Management Policy and a Risk Register. These have been discussed by Directors and include the financial risks to the Trust. The register is regularly reviewed in light of any new information and formally reviewed annually.

The Directors have assessed the major risks to which BDMAT is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Directors have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains, they have ensured they have adequate insurance cover.

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

Financial - the Trust has considerable reliance on continued Government funding through the ESFA. In the last year 91.8% of the Trust's incoming resources, excluding the transfer in of schools, were Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels. Similarly funding is dictated by pupil numbers and the risk to the Trust and its schools operating below its Pupil Admission Number (PAN) or where there is a reduction in school age population in the area are significant. To help manage these risks five year budget forecasting takes place, incorporating expected pupil numbers and this begins in January each year.

Safeguarding - the Directors continue to be conscious of the risks that exist around safeguarding and the need to ensure that the highest standards are maintained in this area. In addition to the existing controls including the appointment of Designated Safeguarding Leads (DSLs) in all schools the Trust has commissioned an independent safeguarding review of the Trust and annual internal audits of each school by the central team are taking place. Recommendations from these reports will be reported to Directors along with learning points from any Ofsted inspections. Safeguarding is a standing agenda item at Directors meetings.

Staffing - the success of the Trust is reliant upon the quality of its staff and so the Directors monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning. To further manage this risk the Trust is developing a formal People Strategy as part of its five year strategic plan.

Estates - The Trust has a range of estates in varying conditions following its expansion over the past 2 years. Ensuring that these estates are well maintained, compliant and safe is paramount and the Trust has appointed external support to ensure that the required compliance activities take place and that an ongoing maintenance and investment program is developed.

Governance and/or management - the risk in this area arises from potential failure to effectively manage the Trust's resources, internal controls, compliance with regulations and legislation, and educational performance. Recruitment of high quality school leaders, Governors and Directors is a key part of managing this risk.

**BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**DIRECTORS REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

STRATEGIC REPORT (CONTINUED)

The Directors continue to review the skills at board level to ensure it is able to lead, challenge and govern the Trust effectively and appointments have been made to the Board during the year to support this. Similarly recruitment to the LABs has taken place in the year and where individual school boards need additional support members of the central team are added to the LAB. Additional support and challenge meetings are put in place to support at risk schools.

Fraud and mismanagement of funds - the Trust has appointed an internal auditor to carry out checks on financial systems and records. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area. The Trust has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis.

FUNDS HELD AS CUSTODIAN ON BEHALF OF OTHERS

During the period ended 31 August 2019 BDMAT did not hold any funds on behalf of, or act as the Custodian Trustees of any other Charity.

EMPLOYEE INVOLVEMENT AND EMPLOYMENT OF THE DISABLED

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The Trust carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Directors.

The Trust has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the Trust's equal opportunities policy, the Trust has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

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

DISCLOSURE OF INFORMATION TO AUDITORS

Insofar as the Directors are aware:

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

The Directors' report, incorporating a strategic report, was approved by order of the board of Directors, as the company directors, on 12 December 2019 and signed on its behalf by:



Mrs S E Smith
Chair of Directors

**BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Directors, we acknowledge we have overall responsibility for ensuring that Birmingham Diocesan Multi-Academy Trust 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 Directors 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 Birmingham Diocesan Multi-Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Directors any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Directors' report. The Board of Directors has formally met 6 times during the period.

Attendance during the period at meetings of the Board of Directors was as follows:

Director	Meetings attended	Out of a possible
Mrs S E Smith, Chair of Directors	6	6
Mrs C S Arrowsmith	4	6
Ms M J Crooks	4	6
Mr G B Harley-Mason	5	6
Mr S M Haynes	0	2
Ms O Jenkins	2	3
Mr K Khan	0	0
Ms H Leung	0	0
Mr C D Mansell, CEO and Accounting Officer	6	6
Mr N Oram	3	3
Mr N C Pilditch	4	6
Rev'd B Scott	5	6
Mr S M Skakel	4	6
Dr J A Smart	4	6

Finance and Resources Committee

The Finance Committee is a committee of the main Board of Directors. Its purpose is to oversee the annual process of statutory independent audit, the completion of the annual report and financial statements and the exercise of internal financial control.

The members of the committee include the Chair of the Trust, Directors and the Chief Executive Officer, as Accounting Officer. The Chief Finance and Operations Officer attends the meetings.

The Finance and Resources Committee has formally met 5 times during the year.

**BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (CONTINUED)

GOVERNANCE (CONTINUED)

Attendance during the period at meetings was as follows:

Director	Meetings attended	Out of a possible
Mr S M Skakel, Chair of Finance and Resources Committee	5	5
Mrs S E Smith, Chair of Directors	5	5
Mr N C Pilditch	3	5
Ms M J Crooks	4	5
Mr C D Mansell, CEO and Accounting Officer	5	5

School Effectiveness Committee

The School Effectiveness Committee is a committee of the Board of Directors. Its purpose is to monitor the curriculum, standards and quality of educational provision, including the provision to enable all involved with the school to experience 'life in all its fullness'.

The members of the committee include the Chair of the Trust, Directors, and the Chief Executive Officer, as Accounting Officer. The Chief School Effectiveness Officer attends these meetings.

The School Effectiveness Committee has formally met 3 times during the year.

Attendance during the period at meetings was as follows:

Director	Meetings attended	Out of a possible
Mrs C S Arrowsmith, Chair of School Effectiveness Committee	3	3
Mrs S E Smith, Chair of Directors	3	3
Dr J A Smart	2	3
Mr G B Harley-Mason	2	3
Mr C D Mansell, CEO and Accounting Officer	3	3
Rev'd B Scott	3	3

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Chief Executive Officer has responsibility for ensuring that BDMAT 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 BDMAT's use of its resources has provided good value for money during each academic year, and reports to the Board of Directors where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for BDMAT has delivered improved value for money during the year by:

- Providing a wide range of training courses across the Trust and Diocese to reduce the costs of training.
- Further development and expansion of the internal school improvement team to support the Headteachers across the Trust.
- Reviewing the quality of curriculum provision and quality of teaching.
- Reviewing the quality of children's learning to enable children to achieve nationally expected progress.

**BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (CONTINUED)

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of BDMAT 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 Birmingham Diocesan Multi-Academy Trust for the year ended 31 August 2019 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Directors has reviewed the key risks to which BDMAT is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Directors is of the view that there is a formal ongoing process for identifying, evaluating and managing the BDMAT's significant risks, that has been in place for the year ended 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Directors.

THE RISK AND CONTROL FRAMEWORK

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

The Board of Directors has considered the need for a specific internal audit function and has decided to appoint Academy Advisory as internal auditor.

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

- Payroll procedures and controls
- Purchasing procedures including authorisation, ordering, accounting/recording, payment and regularity
- Supplier processes, including new supplier set up, payments and IT security/access
- General financial procedures and compliance with policies and controls
- Review of Pupil Premium spends
- Review of bank and other control accounts reconciliations.

On a termly basis, the auditor reports to the Board of Directors through the finance and resources committee on the operation of the systems of control and on the discharge of the Board of Directors' financial responsibilities.

GOVERNANCE STATEMENT (CONTINUED)

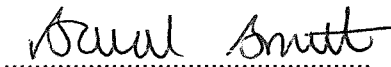
REVIEW OF EFFECTIVENESS

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

- the work of the internal auditors;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the 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 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 Directors on 12 December 2019 and signed on their behalf by:



Mrs S E Smith
Chair of Directors



Mr C D Mansell
Accounting Officer

**BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Birmingham Diocesan Multi-Academy Trust I have considered my responsibility to notify the Academy board of Directors 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, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

I confirm that I and the Academy board of Directors are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook 2018.

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 Directors and ESFA.



Mr C D Mansell
Accounting Officer
Date:

**BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2019**

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

Company law requires the Directors to prepare financial statements for each financial period. Under company law the Directors 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 Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- 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 Directors 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 Directors 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 Directors 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 Directors on 12 December 2019 and signed on its behalf by:



Mr C D Mansell
Accounting Officer

**BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST**

OPINION

We have audited the financial statements of Birmingham Diocesan Multi-Academy Trust (the 'Trust') for the year ended 31 August 2019 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 FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 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 Trust's affairs as at 31 August 2019 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 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST (CONTINUED)**

OTHER INFORMATION

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Other information includes the Reference and Administrative Details, the Directors' Report including the Strategic Report, and the Governance Statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Directors' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Directors' 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 Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' 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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST (CONTINUED)**

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the Directors' responsibilities statement, the Directors (who are also the directors of the 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 Directors 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 Directors are responsible for assessing the 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 Directors either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

USE OF OUR REPORT

This report is made solely to the 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 Trust's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Wood FCCA (Senior Statutory Auditor)

for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
1-3 College Yard
Worcester
WR1 2LB

Date: 19th December 2019

**BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 26 July 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Birmingham Diocesan Multi-Academy Trust during the period 1 September 2018 to 31 August 2019 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 Birmingham Diocesan Multi-Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Birmingham Diocesan Multi-Academy Trust 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 Birmingham Diocesan Multi-Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of Birmingham Diocesan Multi-Academy Trust's funding agreement with the Secretary of State for Education dated 19 December 2018 and the Academies Financial Handbook, extant from 1 September 2018, 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 2018 to 2019. 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 period 1 September 2018 to 31 August 2019 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 Academies Accounts Direction 2018 to 2019 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 Trust's income and expenditure.

**BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BIRMINGHAM
DIOCESAN MULTI-ACADEMY TRUST 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 period 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Andrew Wood FCCA (Senior statutory auditor)

Bishop Fleming LLP
1-3 College Yard
Worcester
WR1 2LB

Date: *19th December 2019*

BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
INCOME FROM:						
Donations and capital grants:	4					
Transfer from existing academies and local authority		1,845,443	(3,559,413)	19,755,579	18,041,609	13,670,624
Other donations and capital grants		168,050	135,000	1,034,427	1,337,477	328,752
Charitable activities	5	913,757	14,292,342	-	15,206,099	8,570,762
Other trading activities	6	255,288	120	-	255,408	128,467
Investments	7	1,521	-	-	1,521	536
TOTAL INCOME		3,184,059	10,868,049	20,790,006	34,842,114	22,699,141
EXPENDITURE ON:						
Charitable activities	8	1,014,697	15,526,951	962,627	17,504,275	9,576,860
TOTAL EXPENDITURE		1,014,697	15,526,951	962,627	17,504,275	9,576,860
NET INCOME/(EXPENDITURE)		2,169,362	(4,658,902)	19,827,379	17,337,839	13,122,281
Transfers between funds	22	(66,453)	-	66,453	-	-
NET MOVEMENT IN FUNDS BEFORE OTHER RECOGNISED GAINS/(LOSSES)		2,102,909	(4,658,902)	19,893,832	17,337,839	13,122,281
OTHER RECOGNISED GAINS/(LOSSES):						
Actuarial losses on defined benefit pension schemes	29	-	(1,758,000)	-	(1,758,000)	874,000
NET MOVEMENT IN FUNDS		2,102,909	(6,416,902)	19,893,832	15,579,839	13,996,281
RECONCILIATION OF FUNDS:						
Total funds brought forward		801,254	(4,493,152)	17,688,179	13,996,281	-
Net movement in funds		2,102,909	(6,416,902)	19,893,832	15,579,839	13,996,281
TOTAL FUNDS CARRIED FORWARD	22	2,904,163	(10,910,054)	37,582,011	29,576,120	13,996,281

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

The notes on pages 31 to 68 form part of these financial statements.

BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:10729883

BALANCE SHEET
AS AT 31 AUGUST 2019

	Note	2019 £	2018 £
FIXED ASSETS			
Tangible assets	15	37,528,731	17,548,593
Investments	16	1,612,054	12,054
		<u>39,140,785</u>	<u>17,560,647</u>
CURRENT ASSETS			
Stocks	17	1,263	1,263
Debtors	18	2,962,874	577,047
Cash at bank and in hand		528,846	1,079,256
		<u>3,492,983</u>	<u>1,657,566</u>
Creditors: amounts falling due within one year	19	(2,078,548)	(597,657)
NET CURRENT ASSETS		<u>1,414,435</u>	<u>1,059,909</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>40,555,220</u>	<u>18,620,556</u>
Creditors: amounts falling due after one year	20	(39,100)	(50,275)
NET ASSETS EXCLUDING PENSION LIABILITY		<u>40,516,120</u>	<u>18,570,281</u>
Defined benefit pension scheme liability	29	(10,940,000)	(4,574,000)
TOTAL NET ASSETS		<u><u>29,576,120</u></u>	<u><u>13,996,281</u></u>
FUNDS OF THE ACADEMY TRUST			
Restricted funds:			
Fixed asset funds	22	37,582,011	17,688,179
Restricted income funds	22	29,946	80,848
		<u>37,611,957</u>	<u>17,769,027</u>
Restricted funds excluding pension asset	22	37,611,957	17,769,027
Pension reserve	22	(10,940,000)	(4,574,000)
Total restricted funds	22	<u>26,671,957</u>	<u>13,195,027</u>
Unrestricted income funds	22	<u>2,904,163</u>	<u>801,254</u>
TOTAL FUNDS		<u><u>29,576,120</u></u>	<u><u>13,996,281</u></u>

The financial statements on pages 28 to 68 were approved by the Directors, and authorised for issue on 12 December 2019 and are signed on their behalf, by:



Mrs S E Smith
 (Chair of Trustees)

The notes on pages 31 to 68 form part of these financial statements.

BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £	2018 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash used in operating activities	24	(330,408)	(126,030)
CASH FLOWS FROM INVESTING ACTIVITIES	26	(208,592)	1,144,236
CASH FLOWS FROM FINANCING ACTIVITIES	25	(11,406)	61,050
CHANGE IN CASH AND CASH EQUIVALENTS IN THE PERIOD		(550,406)	1,079,256
Cash and cash equivalents at the beginning of the period		1,079,256	-
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	27	528,850	1,079,256

The notes on pages 31 to 68 form part of these financial statements

BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. GENERAL INFORMATION

The Birmingham Diocesan Multi Academies Trust is a private company limited by guarantee, incorporated in the UK and registered in England and Wales. The registered office is 1 Colmore Row, Birmingham, West Midlands, B3 2BJ.

The financial statements cover the individual entity only.

2. 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.

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Academy, 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 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Birmingham Diocesan Multi-Academy Trust meets the definition of a public benefit entity under FRS 102.

2.2 GOING CONCERN

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

2.3 INCOME

All incoming resources are recognised when the Academy 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

2. ACCOUNTING POLICIES (continued)

2.3 INCOME (CONTINUED)

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.

- **Transfer on conversion**

Where assets and liabilities are received by the Academy 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. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

- **Transfer of existing academies into the Academy**

Where assets and liabilities are received on the transfer of an existing academy into the 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. An equal amount of income is recognised for the transfer of an existing academy into the Academy within 'Income from Donations and Capital Grants' to the net assets acquired.

2.4 EXPENDITURE

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

2.5 INTEREST RECEIVABLE

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

2. ACCOUNTING POLICIES (continued)

2.6 TANGIBLE FIXED ASSETS

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

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

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

Depreciation is provided on the following bases:

Long term leasehold buildings	- Straight line over 50 years
Plant and equipment	- 7-20% straight line
Computer equipment	- 25% straight line

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

The freehold land and buildings are owned by The Birmingham Diocesan Board of Education. The Trustees of The Birmingham Diocesan Board of Education have granted BDMAT, via a supplemental agreement, the right to use the land and buildings for education purposes indefinitely. The buildings have therefore been treated as long leasehold property. The land has not been depreciated as there is no cessation date for occupancy and the agreement is for indefinite use.

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.

2.7 INVESTMENTS

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

2.8 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

2. ACCOUNTING POLICIES (continued)

2.9 DEBTORS

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

2.10 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 30 days.

2.11 LIABILITIES

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy 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.

2.12 FINANCIAL INSTRUMENTS

The Academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy 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 18. 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 19 and 20. 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.

2.13 OPERATING LEASES

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

2. ACCOUNTING POLICIES (continued)

2.14 PENSIONS

Retirement benefits to employees of the Academy 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 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 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.

2.15 CONVERSION TO AN ACADEMY TRUST

The conversion from a state maintained school to an Academy 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 St Margaret's Church of England Primary School and Coleshill Church of England Primary School to the Academy 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 28.

**BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

2. ACCOUNTING POLICIES (continued)

2.16 FUND ACCOUNTING

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

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.

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

3. 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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. 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.

BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

4. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
DONATIONS					
Transfer in of existing academies into the Trust	1,790,319	(3,113,000)	13,445,236	12,122,555	13,670,624
Transfer in on conversion to Academy Trust	55,124	(446,413)	6,310,343	5,919,054	-
Donations	168,050	135,000	-	303,050	175,975
Capital grants	-	-	1,034,427	1,034,427	152,777
TOTAL 2019	<u>2,013,493</u>	<u>(3,424,413)</u>	<u>20,790,006</u>	<u>19,379,086</u>	<u>13,999,376</u>
TOTAL 2018	<u>519,753</u>	<u>(4,562,529)</u>	<u>18,042,152</u>	<u>13,999,376</u>	

Restricted funds include LGPS Pension Deficit inherited of £3,874,000 (2018: £5,092,000).

BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

5. FUNDING FOR THE ACADEMY'S EDUCATION

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
DFE/ESFA Grants				
General Annual Grant	-	12,254,048	12,254,048	6,653,418
Other DfE/ESFA grants	-	1,848,197	1,848,197	1,383,262
	-	14,102,245	14,102,245	8,036,680
Other Government grants				
Other government grants non-capital	46,795	190,097	236,892	110,423
Early Years Funding	356,531	-	356,531	132,939
	403,326	190,097	593,423	243,362
Other funding				
Nursery income	265,759	-	265,759	162,807
Catering income	147,286	-	147,286	96,174
Other	97,386	-	97,386	31,739
	510,431	-	510,431	290,720
TOTAL 2019	913,757	14,292,342	15,206,099	8,570,762
TOTAL 2018	457,708	8,113,054	8,570,762	

BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

6. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Lettings income	15,808	-	15,808	5,595
After school club income	147,670	-	147,670	58,122
Sales of uniform income	3,399	-	3,399	3,359
Other income	88,411	120	88,531	61,391
TOTAL 2019	255,288	120	255,408	128,467
TOTAL 2018	128,467	-	128,467	

7. INVESTMENT INCOME

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Bank interest	1,521	1,521	536

All investment income was classified as unrestricted in the comparative year.

BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

8. EXPENDITURE

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £	Total 2018 £
Education:					
Direct costs	10,374,019	-	1,905,745	12,279,764	5,966,660
Support costs	2,207,884	365,742	2,530,029	5,103,655	3,490,314
Nursery:					
Direct costs	-	-	11,725	11,725	2,653
Support costs	109,050	81	-	109,131	117,233
TOTAL 2019	12,690,953	365,823	4,447,499	17,504,275	9,576,860
TOTAL 2018	6,911,953	920,016	1,744,891	9,576,860	

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Direct costs 2019 £	Support costs 2019 £	Total funds 2019 £	Total funds 2018 £
Education	12,279,764	5,103,655	17,383,419	9,456,974
Nursery	11,725	109,131	120,856	119,886
TOTAL 2019	12,291,489	5,212,786	17,504,275	9,576,860
TOTAL 2018	5,969,313	3,607,547	9,576,860	

BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

Analysis of direct costs

	Education 2019 £	Nursery 2019 £	Total funds 2019 £	Total funds 2018 £
Pension finance costs	98,000	-	98,000	62,000
Staff costs	9,633,418	-	9,633,418	4,731,021
Depreciation	962,627	-	962,627	295,874
Educational supplies	615,698	10,309	626,007	301,998
Staff development	87,418	-	87,418	62,298
Other costs	9,542	-	9,542	5,816
Supply teachers	740,601	-	740,601	429,071
Security and transport	119,742	-	119,742	30,821
Catering	-	1,416	1,416	718
Office overheads	230	-	230	231
Legal and professional	12,488	-	12,488	49,465
TOTAL 2019	12,279,764	11,725	12,291,489	5,969,313
TOTAL 2018	5,966,660	2,653	5,969,313	

BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

Analysis of support costs

	Education 2019 £	Nursery 2019 £	Total funds 2019 £	Total funds 2018 £
Pension finance costs	55,000	-	55,000	66,000
Staff costs	2,194,510	109,050	2,303,560	1,732,523
Depreciation	-	-	-	91,042
Other costs	1,250	-	1,250	66,773
Agency costs	13,374	-	13,374	19,338
Recruitment and support	98,251	-	98,251	89,546
Maintenance of premises and equipment	365,742	-	365,742	203,545
Cleaning	181,593	-	181,593	62,234
Rent and rates	38,414	-	38,414	18,255
Energy costs	197,006	-	197,006	95,711
Insurance	105,268	-	105,268	51,342
Security and transport	87,436	-	87,436	61,784
Catering	717,778	-	717,778	471,422
Technology costs	203,708	-	203,708	134,010
Office overheads	492,177	81	492,258	283,068
Legal and professional	348,369	-	348,369	158,801
Bank interest and charges	3,779	-	3,779	2,153
TOTAL 2019	5,103,655	109,131	5,212,786	3,607,547
TOTAL 2018	3,490,314	117,233	3,607,547	

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) for the period includes:

	2019 £	2018 £
Depreciation of tangible fixed assets	960,593	384,882
Amortisation of intangible assets	2,034	2,034
Fees paid to auditors for:		
- audit	22,000	15,475
- other services	7,700	2,400

BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

11. STAFF COSTS

a. STAFF COSTS

Staff costs during the period were as follows:

	2019 £	2018 £
Wages and salaries	8,762,979	4,851,338
Social security costs	769,464	424,903
Pension costs	2,324,402	1,166,746
	<u>11,856,845</u>	<u>6,442,987</u>
Agency staff costs	753,975	448,409
Staff restructuring costs	80,133	20,557
	<u><u>12,690,953</u></u>	<u><u>6,911,953</u></u>

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £51,266. Individually, the payments were: £20,000, £17,500 and £13,766.

b. STAFF NUMBERS

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

	2019 No.	2018 No.
Teachers	168	95
Administration	47	20
Support	331	125
Management	38	15
	<u>584</u>	<u>255</u>

The average headcount expressed as full-time equivalents was:

	2019 No.	2018 No.
Teachers	131	84
Administration	27	18
Support	137	64
Management	30	15
	<u>325</u>	<u>181</u>

**BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

11. STAFF COSTS (CONTINUED)

c. HIGHER PAID STAFF

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

	2019 No.	2018 No.
In the band £60,001 - £70,000	4	2
In the band £70,001 - £80,000	1	1
In the band £80,001 - £90,000	-	3
In the band £100,001 - £110,000	1	1

d. KEY MANAGEMENT PERSONNEL

The key management personnel of BDMAT comprise Directors (who do not receive remuneration for their role as Directors) and the Senior Management Team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to BDMAT was £267,662 (2018: £622,758). There has been a change in the key management personnel structure. At 31 August 2018 the Senior Management Team consisted of the CEO, CFO and each school's headteacher.

BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

12. CENTRAL SERVICES

BDMAT has provided the following central services to its academies during the period:

- Legal and professional
- Finance
- Insurance
- Marketing
- Strategic governance
- Management of the academy conversion process
- Tendering and procurement of contracts

The Academy charges for these services on the following basis:

BDMAT distributes 95% of School Budget Share and Educational Services Grant to cover the budgeted cost of running a school on an annual basis.

The actual amounts charged during the period were as follows:

	2019 £	2018 £
St Michael's Church of England Primary Academy, Handsworth	57,130	51,027
St Clement's Church of England Academy	57,290	56,006
St George's Church of England Academy, Newtown	73,290	67,995
The Nethersole Church of England Academy	49,938	48,094
St George's Church of England Primary School, Edgbaston	53,303	52,773
Hawkesley Church of England Primary Academy	57,366	55,080
Coleshill Church of England Primary School	66,223	-
St Margaret's Church of England Primary School	39,883	-
Holy Trinity Church of England Primary Academy, Handsworth	32,288	-
St Michael's Church of England Primary School, Bartley Green	59,506	-
Nonsuch Primary School	32,347	-
Quinton Church of England Primary School	29,037	-
TOTAL	607,601	330,975

**BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

13. DIRECTORS' REMUNERATION AND EXPENSES

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

		2019	2018
		£	£
Mr C D Mansell, CEO and Accounting Officer	Remuneration	100,000 - 105,000	100,000 - 105,000
	Pension contributions paid	10,000 - 15,000	10,000 - 15,000

During year ended 31 August 2019, expenses totalling £271 were reimbursed or paid directly to 3 Directors (2018 - £2,428 to 4 Directors).

14. DIRECTORS' AND OFFICERS' INSURANCE

BDMAT has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on BDMAT business, and provides cover up to £10,000,000. It is not possible to quantify the Directors and officers indemnity element from the overall cost of the RPA scheme.

BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

15. TANGIBLE FIXED ASSETS

	Long-term leasehold land and buildings £	Plant and equipment £	Computer equipment £	Total £
COST OR VALUATION				
At 1 September 2018	17,009,821	813,356	110,298	17,933,475
Additions	389,108	676,902	120,948	1,186,958
Transfers of assets into the trust	19,395,845	279,090	77,663	19,752,598
At 31 August 2019	<u>36,794,774</u>	<u>1,769,348</u>	<u>308,909</u>	<u>38,873,031</u>
DEPRECIATION				
At 1 September 2018	283,287	64,903	36,692	384,882
Charge for the period	585,549	287,767	86,102	959,418
At 31 August 2019	<u>868,836</u>	<u>352,670</u>	<u>122,794</u>	<u>1,344,300</u>
NET BOOK VALUE				
At 31 August 2019	<u>35,925,938</u>	<u>1,416,678</u>	<u>186,115</u>	<u>37,528,731</u>
At 31 August 2018	<u>16,726,534</u>	<u>748,453</u>	<u>73,606</u>	<u>17,548,593</u>

16. FIXED ASSET INVESTMENTS

	Short Term Deposits £
COST OR VALUATION	
At 1 September 2018	12,054
Additions	1,600,000
AT 31 AUGUST 2019	<u>1,612,054</u>
NET BOOK VALUE	
At 31 August 2019	<u>1,612,054</u>
At 31 August 2018	<u>12,054</u>

BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

17. STOCKS

	2019 £	2018 £
Uniforms	<u>1,263</u>	<u>1,263</u>

18. DEBTORS

	2019 £	2018 £
Trade debtors	28,069	39,200
Other debtors	1,974,302	205,844
Prepayments and accrued income	960,503	332,003
	<u>2,962,874</u>	<u>577,047</u>

BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Salix loan	10,775	10,775
Trade creditors	58,786	46,164
Other taxation and social security	205,851	103,737
Other creditors	16,370	4,523
Accruals and deferred income	1,786,766	432,458
	<u>2,078,548</u>	<u>597,657</u>

Included within creditors due within one year is a Salix loan balance of £625 incurred from St Clement's Church of England Academy. The full value of the loan outstanding is £9,375, £8,750 of which is shown as due over one year (note 19). The loan is repayable in annual instalments over the remaining 15 year of the loan with an applicable annual interest rate of NIL%.

Also included within creditors due within one year is a Salix loan balance of £10,150 incurred from St George's Church of England Academy, Newtown. The full value of the loan outstanding is £40,500, £30,350 of which is shown as due over one year (note 19). The loan is repayable in annual instalments over the remaining 5 year of the loan with an applicable annual interest rate of NIL%.

	2019 £	2018 £
Deferred income at 1 September 2018	135,937	-
Resources deferred during the period	337,245	135,937
Amounts released from previous periods	(135,937)	-
	<u>337,245</u>	<u>135,937</u>

At the balance sheet date BDMAT was holding funds received in advance in respect of Universal Infant Free School Meals funding from the ESFA.

BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

20. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2019 £	2018 £
Salix loans due within 1-2 years	10,775	10,775
Salix loans due within 2-5 years	23,200	32,225
Salix loans due within more than 5 years	5,125	7,275
	<u>39,100</u>	<u>50,275</u>

Included within creditors due in more than one year is a Salix loan balance of £8,750 incurred from St Clement's Church of England Academy. The full value of the loan outstanding is £9,375, £625 of which is shown as due within one year (note 18). The loan is repayable in annual instalments over the remaining 15 year of the loan with an applicable annual interest rate of NIL%.

Also included within creditors due in more than one year is a Salix loan balance of £30,350 incurred from St George's Church of England Academy, Newtown. The full value of the loan outstanding is £40,500, £10,150 of which is shown as due within one year (note 18). The loan is repayable in annual instalments over the remaining 5 year of the loan with an applicable annual interest rate of NIL%.

21. FINANCIAL INSTRUMENTS

	2019 £	2018 £
FINANCIAL ASSETS		
Financial assets measured at fair value through income and expenditure	2,140,904	1,079,256
Financial assets that are debt instruments measured at amortised cost	2,569,339	225,532
	<u>4,710,243</u>	<u>1,304,788</u>
	2019 £	2018 £
FINANCIAL LIABILITIES		
Financial liabilities measured at amortised cost	(1,549,624)	(408,258)

Financial assets measured at fair value through income and expenditure comprise cash at bank and in hand and investments.

Financial assets that are debt instruments measured at amortised cost comprise of trade debtors, other debtors and accrued income.

Financial liabilities measured at amortised cost comprise of trade creditors, other creditors, accruals and Salix loans.

BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

22. STATEMENT OF FUNDS

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
UNRESTRICTED FUNDS						
General Funds	801,254	2,827,528	(658,166)	(66,453)	-	2,904,163
Early Years	-	356,531	(356,531)	-	-	-
	<u>801,254</u>	<u>3,184,059</u>	<u>(1,014,697)</u>	<u>(66,453)</u>	<u>-</u>	<u>2,904,163</u>
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	-	12,280,003	(12,280,003)	-	-	-
Pupil Premium	-	1,391,429	(1,391,429)	-	-	-
UIFSM	-	228,876	(228,876)	-	-	-
Sponsor Grant	59,552	-	(59,552)	-	-	-
Transfer in from existing academies	-	314,587	(314,587)	-	-	-
Sports Premium	-	187,257	(187,257)	-	-	-
Free School Grant	21,296	16,000	(7,350)	-	-	29,946
Other restricted income	-	188,897	(188,897)	-	-	-
Birmingham Diocesan Board of Education	-	135,000	(135,000)	-	-	-
Pension reserve	(4,574,000)	(3,874,000)	(734,000)	-	(1,758,000)	(10,940,000)
	<u>(4,493,152)</u>	<u>10,868,049</u>	<u>(15,526,951)</u>	<u>-</u>	<u>(1,758,000)</u>	<u>(10,910,054)</u>

BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

22. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
RESTRICTED FIXED ASSET FUNDS						
Land and Buildings transferred	17,507,141	19,755,584	(933,856)	-	-	36,328,869
Devolved formula Capital	39,423	228,018	-	(138,651)	-	128,790
ESFA Capital Grants	113,354	806,404	-	(919,758)	-	-
Fixed assets funded from restricted grants	28,261	-	(14,281)	1,058,409	-	1,072,389
Fixed assets funded from General Funds	-	-	(14,490)	66,453	-	51,963
	<u>17,688,179</u>	<u>20,790,006</u>	<u>(962,627)</u>	<u>66,453</u>	<u>-</u>	<u>37,582,011</u>
TOTAL RESTRICTED FUNDS	<u>13,195,027</u>	<u>31,658,055</u>	<u>(16,489,578)</u>	<u>66,453</u>	<u>(1,758,000)</u>	<u>26,671,957</u>
TOTAL FUNDS	<u>13,996,281</u>	<u>34,842,114</u>	<u>(17,504,275)</u>	<u>-</u>	<u>(1,758,000)</u>	<u>29,576,120</u>

22. STATEMENT OF FUNDS (CONTINUED)

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

RESTRICTED FUNDS:

General Annual Grant - income from the ESFA which is to be used for the normal running costs of the school, including education and support costs.

Pupil Premium - represents funding received from the ESFA for children that qualify for free school meals to enable the school to address the current underlying inequalities between those children and their wealthier peers.

Universal Infant Free School Meals - represents income for the provision of free school meals to pupils.

Sponsor Grant - income from the ESFA which is to be used for the running costs of the central team function.

Transfer in from existing academies - surplus restricted reserves brought in from existing academies entering BDMAT.

Sports Premium funding - income from the ESFA which is to be used to make additional and sustainable improvements to the quality of physical education.

Free School Grant - income from the ESFA which is to be used to manage the free school building project.

Other income - income which has been received for specific purposes.

Birmingham Diocesan Board of Education - funding provided to fund the central function of the Academy Trust.

Pension reserve - this represents BDMAT's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an academy.

RESTRICTED FIXED ASSET FUNDS:

Fixed assets transferred in from existing academies - this represents the assets transferred to BDMAT from the academies entering BDMAT.

Devolved Formula Capital funding - this represents funding from the ESFA to cover the maintenance and purchase of the school's assets.

Condition Improvement Fund - are restricted grants related to a grant provided to the School from the Condition Improvement fund to be used specific capital work.

Fixed assets purchased from restricted grants - this represents capital assets that have been purchased out of restricted funding.

BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

22. STATEMENT OF FUNDS (CONTINUED)

Total funds analysis by academy

Fund balances at 31 August 2019 were allocated as follows:

	2019 £	2018 £
St Michael's Church of England Primary Academy, Handsworth	126,144	76,279
St Clement's Church of England Academy	271,504	176,105
St George's Church of England Academy, Newtown	196,380	190,434
The Nethersole Church of England Academy	127,622	224,664
St George's Church of England Primary School, Edgbaston	82,070	98,865
Hawkesley Church of England Primary Academy	(112,414)	(19,465)
Central	273,417	135,220
Coleshill Church of England Primary School	195,915	-
St Margaret's Church of England Primary School	128,104	-
St Michael's Church of England Primary School, Bartley Green	925,902	-
Quinton Church of England Primary School	447,966	-
Nonsuch Primary School	341,638	-
Holy Trinity Church of England Primary Academy, Handsworth	(70,139)	-
Total before fixed asset funds and pension reserve	2,934,109	882,102
Restricted fixed asset fund	37,582,011	17,688,179
Pension reserve	(10,940,000)	(4,574,000)
TOTAL	29,576,120	13,996,281

The following academies are carrying a net deficit on their portion of the funds as follows:

	Deficit £
Hawkesley Church Primary Academy	(112,414)
Holy Trinity CE Primary Academy (Handsworth)	(70,139)

Hawkesley have brought forward a deficit in the year relating to the voluntary severance payments resulting from restructuring in 2017/18. Additional investment in the school during 2018/19 has delayed the return of the school to a surplus reserves position, however the budget for 2019/20 will allow the school to return to a positive reserves position within the next 2 years.

Holy Trinity undertook restructuring in 2018/19 to secure the financial sustainability of the school. The school has a surplus budget for 2019/20 and will return to a positive reserves position within 4 years.

The Trust is taking the following action to return the academies to surplus:

Staffing costs are being reviewed, as well as other cost saving measures, and it is anticipated that the school will return to surplus within 12 months.

BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

22. STATEMENT OF FUNDS (CONTINUED)

TOTAL COST ANALYSIS BY ACADEMY

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2019 £	Total 2018 £
St Michael's Church of England Primary Academy, Handsworth	509,518	327,922	58,321	324,245	1,220,006	1,246,829
St Clement's Church of England Academy	618,686	372,703	47,006	242,663	1,281,058	1,363,510
St George's Church of England Academy, Newtown	747,407	376,040	62,851	523,644	1,709,942	1,626,696
The Nethersole Church of England Academy	622,192	431,754	81,009	318,828	1,453,783	1,276,663
St George's Church of England Primary School, Edgbaston	635,445	319,627	75,100	274,687	1,304,859	1,232,752
Hawkesley Church of England Primary Academy	527,224	423,186	63,540	503,108	1,517,058	1,530,938
Central	10,153	410,933	30,483	446,337	897,906	556,556
Coleshill Church of England Primary School	882,147	445,631	64,561	390,824	1,783,163	-
St Margaret's Church of England Primary School	548,949	302,169	28,676	159,884	1,039,678	-
St Michael's Church of England Primary School, Bartley Green	730,840	410,211	56,114	166,382	1,363,547	-
Quinton Church of England Primary School	277,361	183,092	23,750	137,122	621,325	-
Nonsuch Primary School	317,184	258,722	15,512	152,200	743,618	-
Holy Trinity Church of England Primary Academy, Handsworth	407,470	259,412	19,084	160,811	846,777	-
ACADEMY	6,834,576	4,521,402	626,007	3,800,735	15,782,720	8,833,944

BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

22. STATEMENT OF FUNDS (CONTINUED)

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

	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
UNRESTRICTED FUNDS					
General Funds	951,649	(150,395)	-	-	801,254
Birmingham Diocesan Board of Education	21,881	(21,881)	-	-	-
Early years	132,939	(132,939)	-	-	-
	<u>1,106,469</u>	<u>(305,215)</u>	<u>-</u>	<u>-</u>	<u>801,254</u>
RESTRICTED GENERAL FUNDS					
General Annual Grant	6,653,666	(6,653,666)	-	-	-
Sports Premium	95,248	(95,248)	-	-	-
Free School Grant	60,000	(38,704)	-	-	21,296
Sponser Grant	92,500	-	(32,948)	-	59,552
Conversion Grant	50,000	(50,000)	-	-	-
Pupil Premium	947,743	(947,743)	-	-	-
Higher Needs funding	19,150	(19,150)	-	-	-
Birmingham Diocesan Board of Education	135,000	(135,000)	-	-	-
Universal Infant Free School Meals	162,771	(162,771)	-	-	-
Other grants	14,651	(14,651)	-	-	-
Transfer in from existing academies	394,471	(394,471)	-	-	-
Other income	17,325	(17,325)	-	-	-
Pension reserve	(5,092,000)	(356,000)	-	874,000	(4,574,000)
	<u>3,550,525</u>	<u>(8,884,729)</u>	<u>(32,948)</u>	<u>874,000</u>	<u>(4,493,152)</u>

BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

22. STATEMENT OF FUNDS (CONTINUED)

	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
RESTRICTED FIXED ASSET FUNDS					
Fixed assets transferred in from existing academies	17,889,370	(382,229)	-	-	17,507,141
Condition improvement fund	113,354	-	-	-	113,354
Devolved formula capital	39,423	-	-	-	39,423
Fixed assets purchased from restricted grants	-	(4,687)	32,948	-	28,261
	<u>18,042,147</u>	<u>(386,916)</u>	<u>32,948</u>	<u>-</u>	<u>17,688,179</u>
TOTAL RESTRICTED FUNDS	<u>21,592,672</u>	<u>(9,271,645)</u>	<u>-</u>	<u>874,000</u>	<u>13,195,027</u>
TOTAL FUNDS	<u>22,699,141</u>	<u>(9,576,860)</u>	<u>-</u>	<u>874,000</u>	<u>13,996,281</u>

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	37,528,731	37,528,731
Fixed asset investments	1,612,054	-	-	1,612,054
Current assets	2,054,536	622,685	815,762	3,492,983
Creditors due within one year	(762,196)	(553,870)	(762,482)	(2,078,548)
Creditors due in more than one year	(231)	(38,869)	-	(39,100)
Provisions for liabilities and charges	-	(10,940,000)	-	(10,940,000)
TOTAL	<u>2,904,163</u>	<u>(10,910,054)</u>	<u>37,582,011</u>	<u>29,576,120</u>

BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	17,548,593	17,548,593
Fixed asset investments	-	12,054	-	12,054
Current assets	1,125,467	329,591	202,508	1,657,566
Creditors due within one year	(333,621)	(210,522)	(53,514)	(597,657)
Creditors due in more than one year	-	(50,275)	-	(50,275)
Provisions for liabilities and charges	-	(4,574,000)	-	(4,574,000)
TOTAL	791,846	(4,493,152)	17,697,587	13,996,281

24. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2019 £	2018 £
Net income for the year (as per Statement of Financial Activities)	17,337,839	13,122,281
ADJUSTMENTS FOR:		
Depreciation	959,418	384,882
Capital grants from DfE and other capital income	(1,034,427)	(152,777)
Interest receivable	(1,521)	(536)
Defined benefit pension scheme obligation inherited	3,874,000	-
Defined benefit pension scheme cost less contributions payable	360,000	228,000
Defined benefit pension scheme finance cost	153,000	128,000
Decrease/(increase) in stocks	-	(101)
(Increase)/decrease in debtors	(2,385,827)	126,167
Increase/(decrease) in creditors	1,481,126	(293,356)
Amortisation	-	2,034
Non-cash assets inherited from Academies	(21,074,016)	(13,670,624)
NET CASH USED IN OPERATING ACTIVITIES	(330,408)	(126,030)

BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

25. CASH FLOWS FROM FINANCING ACTIVITIES

	2019 £	2018 £
Repayments of Salix loan	(11,406)	(10,775)
Cash inflows from new borrowing	-	71,825
NET CASH (USED IN)/PROVIDED BY FINANCING ACTIVITIES	(11,406)	61,050

26. CASH FLOWS FROM INVESTING ACTIVITIES

	2019 £	2018 £
Interest receivable	1,521	536
Purchase of tangible assets	(1,186,958)	(504,876)
Purchase of investments	(1,600,000)	-
Capital grants from DfE group	1,034,427	152,777
Cash transferred on conversion	1,542,418	1,495,799
NET CASH (USED IN)/PROVIDED BY INVESTING ACTIVITIES	(208,592)	1,144,236

27. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2019 £	2018 £
Cash in hand	528,850	1,079,256
TOTAL CASH AND CASH EQUIVALENTS	528,850	1,079,256

BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

28. CONVERSION TO AN ACADEMY TRUST

On 1 September 2018 St Margaret's Church of England Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Birmingham Diocesan Multi-Academy Trust from Solihull Metropolitan Borough 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 £
TANGIBLE FIXED ASSETS				
Leasehold land and buildings	-	-	2,347,916	2,347,916
CURRENT ASSETS				
Cash - representing budget surplus on other school funds	55,124	78,926	37,097	171,147
NON-CURRENT LIABILITIES				
Pensions - pension scheme liabilities	-	(439,000)	-	(439,000)
NET ASSETS/(LIABILITIES)	55,124	(360,074)	2,385,013	2,080,063

BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

28. CONVERSION TO AN ACADEMY TRUST (CONTINUED)

On 1 September 2018 Coleshill Church of England Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Birmingham Diocesan Multi-Academy Trust from Warwickshire County 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.

	Restricted funds £	Restricted fixed asset funds £	Total funds £
TANGIBLE FIXED ASSETS			
Leasehold land and buildings	-	3,864,279	3,864,279
CURRENT ASSETS			
Cash - representing budget surplus on other school funds	235,661	61,056	296,717
NON-CURRENT LIABILITIES			
Pensions - pension scheme liabilities	(322,000)	-	(322,000)
NET (LIABILITIES)/ASSETS	<u>(86,339)</u>	<u>3,925,335</u>	<u>3,838,996</u>

29. PENSION COMMITMENTS

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

Contributions amounting to £4,885 were payable to the schemes at 31 August 2019 (2018 - £4,523) and are included within creditors.

29. PENSION COMMITMENTS (CONTINUED)

TEACHERS' PENSION SCHEME

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

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

VALUATION OF THE TEACHERS' PENSION SCHEME

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

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return is 4.45%.

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from 1 September 2019 (this includes the administration levy of 0.8%).

The employer's pension costs paid to TPS in the period amounted to £599,196 (2018 - £435,255).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

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

BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

29. PENSION COMMITMENTS (CONTINUED)

LOCAL GOVERNMENT PENSION SCHEME

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2019 was £997,000 (2018 - £644,000), of which employer's contributions totalled £807,000 (2018 - £529,000) and employees' contributions totalled £ 190,000 (2018 - £115,000). The agreed contribution rates for future years are 21.3% for employers and 5.5% - 12.5% for employees.

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.

Barnett Waddingham have been the actuary on the following schools:

Hawkesley Church of England Primary Academy
 St Clement's Church of England Academy
 St George's Church of England Primary School, Edgbaston
 St George's Church of England Academy, Newtown
 St Michael's Church of England Primary Academy, Handsworth
 St Margaret's Church of England Primary School
 Holy Trinity Church of England Primary Academy, Handsworth
 St Michael's Church of England Primary School, Bartley Green
 Nonsuch Primary School
 Quinton Church of England Primary School

Hymans Robertson LLP have been the actuary on the following schools:

Coleshill Church of England Primary School
 The Nethersole Church of England Academy

Principal actuarial assumptions

	2019 %	2018 %
Rate of increase in salaries	3.60	3.40
Rate of increase for pensions in payment/inflation	2.21	2.35
Discount rate for scheme liabilities	1.85	2.73
Inflation assumption (CPI)	2.21	2.35

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

	2019 Years	2018 Years
<i>Retiring today</i>		
Males	21.0	22.2
Females	23.2	24.6
<i>Retiring in 20 years</i>		
Males	22.6	24.2
Females	25.1	26.7

BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

29. PENSION COMMITMENTS (CONTINUED)

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

	At 31 August 2019 £	At 31 August 2018 £
Equities	5,013,000	2,384,000
Gilts	670,000	231,000
Bonds	592,000	243,000
Property	727,000	328,000
Cash and other liquid assets	267,000	137,000
Other	1,050,000	448,000
TOTAL MARKET VALUE OF ASSETS	8,319,000	3,771,000

The actual return on scheme assets was £564,000 (2018 - £58,562).

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

	2019 £	2018 £
Current service cost	(1,167,000)	(757,000)
Past service cost	(221,000)	-
Interest income	212,000	89,000
Interest cost	(363,000)	(217,000)
Administrative expenses	(2,000)	(1,000)
TOTAL AMOUNT RECOGNISED IN THE STATEMENT OF FINANCIAL ACTIVITIES	(1,541,000)	(886,000)

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

	2019 £	2018 £
Opening defined benefit obligation	8,345,000	8,305,000
Transferred in on existing academies joining the trust	7,062,000	-
Current service cost	1,167,000	757,000
Interest cost	363,000	217,000
Employee contributions	190,000	115,000
Actuarial losses/(gains)	2,138,000	(926,000)
Benefits paid	(214,000)	(123,000)
Past service cost	221,000	-
Closing defined benefit obligation	19,272,000	8,345,000

BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

29. PENSION COMMITMENTS (CONTINUED)

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

	2019 £	2018 £
Opening fair value of scheme assets	3,771,000	3,213,000
Transferred in on existing academies joining the trust	3,175,000	-
Interest income	212,000	90,000
Actuarial gains/(losses)	380,000	(52,000)
Employer contributions	807,000	529,000
Employee contributions	190,000	115,000
Benefits paid	(214,000)	(123,000)
Administration expenses	(2,000)	(1,000)
Closing fair value of scheme assets	8,319,000	3,771,000

30. OPERATING LEASE COMMITMENTS

At 31 August 2019 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	43,734	38,683
Later than 1 year and not later than 5 years	37,040	23,781
	80,774	62,464

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 £10 for the debts and liabilities contracted before he/she ceases to be a member.

**BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

32. RELATED PARTY TRANSACTIONS

Owing to the nature of BDMAT and the composition of the board of Directors being drawn from local public and private sector organisations, transactions may take place with organisations in which Directors have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook and with the trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

Birmingham Diocesan Board of Finance - an entity in which Mr S Skakel is also a Director. BDMAT received £135,000 during the period (2018: £135,000) and purchased procured services of £68,845 (2018: £48,150) during the period. A balance of £6,556 (2018: £105) was owing to Birmingham Diocesan Board of Finance as at 31 August 2019.

Services for Education Limited - an incorporated charity in which Mrs S E Smith is a also Director. BDMAT purchased procured services totalling £33,178 (2018: £27,291) during the period. A balance of £274 (2018: £569) was owing to Services for Education Limited as at 31 August 2019.

33. POST BALANCE SHEET EVENTS

On 1 September 2019, Austrey Church of England Primary School, Newton Regis Church of England Primary School, Warton Nethersole Church of England Primary School, and Woodside Church of England Primary School joined the Multi Academy Trust. The local government pension scheme liability, the school's fixed assets and working capital balance have been transferred to BDMAT. These balances will be recognised in the 2020 financial statements.

BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

34. TRANSFER OF EXISTING ACADEMIES INTO THE ACADEMY

Holy Trinity CE Primary Academy (Handsworth)

	Value reported by transferring trust £	Fair value adjustments £	Transfer in recognised £
TANGIBLE FIXED ASSETS			
Long-term leasehold property	4,026,102	(1,271,521)	2,754,581
Furniture and equipment	39,917	-	39,917
Computer equipment	11,279	-	11,279
CURRENT ASSETS			
Debtors due within one year	43,267	-	43,267
Cash at bank and in hand	74,530	-	74,530
LIABILITIES			
Creditors due within one year	(32,623)	-	(32,623)
PENSIONS			
Pensions - pension scheme liabilities	(919,000)	-	(919,000)
NET ASSETS	<u>3,243,472</u>	<u>(1,271,521)</u>	<u>1,971,951</u>

Fair value adjustment has been undertaken to reflect the true value of the school buildings entering the Trust. The school building was overstated by £1,271,521 in the predecessor trust and has been adjusted for above.

BIRMINGHAM DIOCESAN MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

34. TRANSFER OF EXISTING ACADEMIES INTO THE ACADEMY (CONTINUED)

Barchelai Academy Trust

This MAT included the following schools:
 St Michael's Church of England Primary School
 Nonsuch Primary School
 Quinton Church of England Primary School

	Value reported by transferring trust £	Transfer in recognised £
TANGIBLE FIXED ASSETS		
Long-term leasehold property	10,429,069	10,429,069
Furniture and equipment	239,173	239,173
Computer equipment	66,384	66,384
CURRENT ASSETS		
Debtors due within one year	479,939	479,939
Cash at bank and in hand	1,458,877	1,458,877
LIABILITIES		
Creditors due within one year	(252,140)	(252,140)
PENSIONS		
Pensions - pension scheme liabilities	(2,194,000)	(2,194,000)
NET ASSETS	<u>10,227,302</u>	<u>10,227,302</u>