

**The Diocese of Canterbury
Academies Company
Limited**

**Directors' Report and Financial
Statements**


31 December 2022

Company Limited by Guarantee
Registration Number
07793458 (England and Wales)

Charity Registration Number
1147127

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Reference and administrative information

Trustees	Dr P E Gregory Mrs C A Karunaratna The Very Revd J S Richardson Canon Dr Q L Roper
Chief executive officer	Canon Dr Q L Roper
Registered address	Diocesan House Lady Wootton's Green Canterbury Kent CT1 1NQ
Company registration no.	7793458 (England and Wales)
Charity registration no.	1147127
Independent examiner	Alan Moore 4 Steel Close Herne Bay Kent CT6 5HQ

Trustees' report Year to 31 December 2022

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements of The Diocese of Canterbury Academies Company Limited (the charitable company or DCACL) for the year ended 31 December 2022.

The financial statements comply with the Companies Act 2006, the charitable company's governing document and 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).

Structure, Governance and Management

Constitution

The charitable company is registered as a company limited by guarantee, Company Registration Number 7793458 (England and Wales). The company is constituted under Memorandum and Articles of Association dated 30 September 2011 and is a registered charity, Charity Registration Number 1147127.

The Trustees have had regard to the Charity Commission's guidance on public benefit. The principal object of the charitable company is to advance, for the public benefit, education in the Diocese of Canterbury or elsewhere, in particular but not exclusively, by:

- ♦ promoting the efficiency and effectiveness of educational institutions and the efficient and effective application of resources for such purposes, including promoting and disseminating models of good practice and the delivery of support services generally to such institutions; and
- ♦ advancing the education of people who work or volunteer in, or govern, educational institutions in order to assist those persons to deliver a high-quality education to the pupils and to communities served by those institutions.

Method of appointment or election of Trustees

The management of the charitable company is the responsibility of the Trustees who are appointed under the terms of the Articles of Association. The Trustees, who served during the year and up to the date of this report, are set out on page 1.

Organisational structure and decision making

The charitable company was set up by the Canterbury Diocesan Board of Education (CDBE). The CDBE is established in accordance with the Diocesan Boards of Education Measure 2021; this legislation also details the rights, powers and obligations of the CDBE. The CDBE is answerable to the Diocesan Synod, which is ultimately responsible for ensuring that the rights, powers, duties and obligations of CDBE are carried out.

Trustees of the charitable company meet three times per year and have access to education officers of the Diocese for advice and support on any specific issue that may arise. Trustees have agreed Terms of Reference, last reviewed in September 2021.

Structure, Governance and Management (continued)

Related party relationships

All Trustees are also members of the Diocese of Canterbury Academies Company Limited. The Chief Executive Officer, an ex-officio Trustee, is also the Diocesan Director of Education and secretary of CDBE. The Canterbury Diocesan Board of Finance acts as Custodian Trustee of diocesan education endowments and funds and the financial transactions of CDBE form part of the financial statements of the Canterbury Diocesan Board of Finance.

Principal Activities

The charitable company performs both a strategic and operational role in the educational functions of the Diocese of Canterbury, specifically:

- ◆ To safeguard the Church of England designation of church schools which choose to convert/have converted to academy status in any form; and
- ◆ To manage the academy sponsorship functions of the Canterbury Diocesan Board of Education.

Vision

The charitable company aims to promote distinctive, inclusive communities of learning that seek to be underpinned by Christian values sourced in the Gospel narrative, enriching the whole educational experience. It aspires to excellence; to secure the best possible outcomes for children and young people, enabling them to fulfil their potential and make a worthwhile contribution to our diverse, dynamic society.

Objectives

- ◆ To maintain an overview of governing documentation, financial reporting and Director and Member appointments for Church Academy Trusts (CATs) within the Diocese of Canterbury; and
- ◆ To evaluate the impact of services to sponsored academies and monitor their performance.

Activities to achieve objectives

- ◆ Ensure that all governing documentation follows national models agreed between the Church of England Education Office and the Department for Education;
- ◆ Appoint Members/Directors to CATs as required by their Articles of Association;
- ◆ Manage requests for site trustee consent for capital works in CATs;

Principal Activities (continued)

Activities to achieve objectives (continued)

- ◆ Receive and analyse Church Academy Trust Accounts each financial year, including headlines from the Statement of Financial Activities, the representation/ treatment of church land and the content of the directors' annual report;
- ◆ Make strategic decisions on new sponsorship arrangements and, where appropriate, approve Church Multi-Academy Trusts to become sponsors; and
- ◆ Evaluate inspection reports and data summaries for sponsored academies related to quality and performance, using findings to inform strategic planning, training and advice.

Achievements and Performance

Performance of sponsored academies

St. Laurence-in-Tharvet CE Junior School

The school transferred to Aquila Multi Academy Trust on 1st May 2022. It is no longer sponsored by DCACL.

Christ Church CE Junior, Ramsgate

The school remains Good, as graded by Ofsted and SIAMS. School leaders continue to respond to the needs of the pupils in the school, through interventions and curriculum development.

The long-term absence of the Deputy Head teacher has placed additional pressure on school leaders. Job roles have been reallocated to senior leaders and teachers within the school. This is to ensure there is capacity and strength to keep the school moving forward.

The school maintains its two-form entry organisation. The current roll is 200. (PAN is 240)

Sue Parkin continues to be the School Improvement consultant. She carried out three formal monitoring visits in school and connects regularly with the headteacher.

School Improvement Consultants and liaison with other stakeholders

DCACL directs the work of one school improvement consultant to support Christ Church CE Junior Ramsgate. The school receives three visits a year.

Achievements and Performance (continued)

Governance, reviews and recruitment

The Deputy Director of Education continues to co-ordinate the appointment of Members and Directors to CATs. Trustees have developed processes and expectations relating to communication between CATs and the charitable company, to enhance Trust links with formal diocesan education structures and to facilitate consistent information sharing.

Effects on operational aspects of schools

Effects of the Covid-19 pandemic on the operational aspects of schools are diminishing; however Trustees have continued to support leaders, governors and directors through adapted training provision, accessible meeting options and a focus on their well-being. Of more significance are current inflationary pressures, rising heating and staffing costs for schools and systematic cuts to public services which have affected the level of state funding for education. In this context, Trustees have worked closely with CATs and the Local Authority in relation to school improvement, to maintain an appropriate level of support and challenge for sponsored academies. Trustees do not expect any material impact on the company's income, expenditure or financial position.

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that it 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.

Review of Financial Activities

Financial review

Trustees are aware of their responsibilities for the use and accountability of public and voluntary funding and to ensure that such funding is spent both wisely and effectively towards the desired aims and outcomes.

During the year ended 31 December 2022 the charitable company incurred expenditure of £84,530 (2021 - £84,530) which was funded by sponsor grants held by the company, contributions from sponsored academies towards sponsor services and contributions from the Canterbury Diocesan Board of Education. There was a deficit for the year of £78,860 (2021 - £78,860) resulting in funds carried forward of £17,426 (2021 - £17,426).

Reserves policy

The reserves policy is to hold no more than 12 months anticipated expenditure. At 31 December 2022 the unrestricted reserves (free reserves) were £204 (2021 - £59) and restricted reserves were £9,085 (2021 - £17,367). Unrestricted reserves are held to meet administrative costs and restricted reserves are provided to meet school sponsorship costs. As noted above under 'going concern', the Trustees are content with the charitable company's financial position.

Principal funding

There are two streams of principal funding:

- ◆ Sponsor grants (one-off) from the Department for Education (none in 2022 or 2021); and
- ◆ Contributions to sponsor services, received on a quarterly basis as required from some sponsored academies.

Members' Liability

The members of the company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up.

Trustees' Responsibilities Statement

The Trustees (who are also directors of The Diocese of Canterbury Academies Company Limited for the purposes of company law) are responsible for preparing the Trustees' report and the

financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- ♦ select suitable accounting policies and then apply them consistently;
- ♦ observe the methods and principles in 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);
- ♦ make judgments and accounting estimates that are reasonable and prudent; and
- ♦ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

The above report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime as set out in part 15 of the Companies Act 2006.

This report was approved by the Trustees on 6th September 2023 and signed on their behalf by:



Trustee

QUENTIN L ROPER

Independent examiner's report to the Trustees of the Diocese of Canterbury Academies Company Limited

I report to the charity's Trustees on my examination of the financial statements of The Diocese of Canterbury Academies Company Limited ('the charitable company') for the year ended 31 December 2022.

Responsibilities and basis of report

As the Trustees of the charitable company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the financial statements of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's financial statements as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

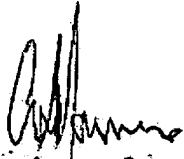
Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

- ♦ accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
- ♦ the financial statements do not accord with those records; or
- ♦ the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- ♦ the financial statements have not been prepared in accordance with the methods and principles of 'Accounting and Reporting by Charities: the 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)'.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

xxx
xxx
xxx
xxx


AF Moore
06.09.2023

Statement of financial activities Year to 31 December 2022

Income and expenditure	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Income from:							
Charitable activities	1	—	900	900	1,800	3,825	5,625
Interest receivable		217	—	217	45	—	45
Total income		217	900	1,117	1,845	3,825	5,670
Expenditure on:							
Charitable activities	2	72	9,182	9,254	2,093	82,437	84,530
Total expenditure		72	9,182	9,254	2,093	82,437	84,530
Net expenditure before transfers		145	(8,282)	(8,137)	(248)	(78,612)	(78,860)
Transfers between funds	5	—	—	—	(90)	90	—
Net expenditure and net movement in funds		145	(8,282)	(8,137)	(338)	(78,522)	(78,860)
Total funds at 1 January 2021		59	17,367	17,426	397	95,889	96,286
Total funds at 31 December 2022		204	9,085	9,289	59	17,367	17,426

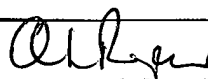
The above activities derive from continuing operations in the financial years to 31 December 2022 and 2021.

All recognised gains and losses are recognised in the above statement of financial activities.

The accounting policies and notes on pages 10 to 13 form part of these financial statements.

Balance sheet 31 December 2022

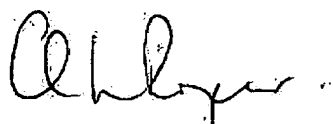
	Note	2022 £	2021 £
Current assets			
Cash at bank		12,301	52,299
Total current assets		12,301	52,299
Liabilities			
Creditors: amounts due within one year	4	(3,012)	(34,873)
Net current assets		9,289	17,426
Total net assets		9,289	17,426
Charity funds			
Unrestricted funds		204	59
Restricted funds	5	9,085	17,367
Total funds		9,289	17,426

 QUENTIN L ROPER

For the year ended 31 December 2022, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit of its financial statements for the year in accordance with section 476. The Trustees (i.e. the directors) acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime as set out in part 15 of the Companies Act 2006 and section 1A of Financial Reporting Standard 102 (FRS 102).

The financial statements were approved by the Trustees on 6th September 2023 and signed on their behalf by:



Trustee: QUENTIN L ROPER

The accounting policies and notes on pages 10 to 13 form part of these financial statements.

Principal accounting policies Year to 31 December 2022

Basis of preparation of financial statements

The financial statements have been prepared in accordance with 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), Section 1A of the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The Diocese of Canterbury Academies Company Limited constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest pound.

Company status

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

Fund structure

Unrestricted funds are funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charitable company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charitable company for particular purposes. The costs of raising and administering such funds are charged against the specific funds.

Areas of critical judgement and going concern

In preparing these financial statements, the Trustees have estimated future income and expenditure flows with a view to assessing the appropriateness of the going concern basis. The Trustees have a reasonable expectation that the charitable company 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.

Income

Income is recognised when the charitable company has entitlement to the funds, any performance conditions attached to the income have been met and it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Expenditure

Expenditure is accounted for on an accruals basis and comprises grants payable and governance costs.

Grants payable are included in the statement of financial activities in the year when approval is granted and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all performance conditions. Grants approved but not paid at the end of the financial year are accrued. Grants where the beneficiary has not been informed or must fulfil performance conditions before the grant is released are not accrued for but are disclosed as financial commitments in the notes to the financial statements.

Governance costs are those incurred in connection with administration of the charitable company and compliance with constitutional and statutory requirements.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions 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. Creditors and provisions are recognised at the amount the charitable company anticipates it will pay to settle the debt.

Financial instruments

The charitable company only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Notes to the financial statements Year to 31 December 2022

1. Income from charitable activities

	2022 £	2021 £
Contributions from academies (restricted funds)	900	3,825
Contributions from the Canterbury Diocesan Board of Education (unrestricted funds)	—	1,800
	900	5,625

2. Expenditure on charitable activities

All support and governance costs are incurred for the primary purpose of the charitable company which is academy sponsorship and conversion. Support costs were met by the Canterbury Diocesan Board of Finance (incorporating the Diocesan Board of Education).

An analysis of expenditure on charitable activities is provided below:

	2022 £	2021 £
Grant funding of academy sponsorship and conversion (restricted funds)	9,182	82,437
Governance costs (unrestricted funds)		
Independent examiner's fees	72	2,080
Other expenditure	—	13
	72	2,093
Total expenditure on charitable activities	9,254	84,530

3. Employees and trustee remuneration and expenses

The charitable company has no employees (2021 - none). During the year no Trustees received any remuneration, benefits in kind or reimbursement of expenses (2021 - £nil).

4. Creditors: amounts falling due within one year

	2022 £	2021 £
Accruals	—	2,040
Other creditors	—	6,720
Amount due to Canterbury Diocesan Board of Finance	3,012	26,113
	3,012	34,873

5. Restricted funds

The restricted funds are to be used for expenditure in respect to specific individual academies. Where expenditure for an individual academy exceeds income resulting in a deficit, a transfer is made from unrestricted funds.

6. Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Debtors:	—	—	—	—	—	—
Cash	204	12,097	12,301	2,099	50,200	52,299
Creditors:	—	(3,012)	(3,012)	(2,040)	(32,833)	(34,873)
Net current assets	204	9,085	9,289	59	17,367	17,426

7. Related party transactions

During the year, the charitable company received £nil (2021 — £1,800) from the Canterbury Diocesan Board of Education.

There were no other related party transactions during the year requiring disclosure (2021 — none).