

Company Registration No. 07552631 (England and Wales)

RUTLAND AND DISTRICT SCHOOLS' FEDERATION
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2021

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

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RUTLAND AND DISTRICT SCHOOLS' FEDERATION

REFERENCE AND ADMINISTRATIVE DETAILS

Members

Ms J Gilboy (Resigned 1 July 2021)
Mr R Mulvey
Mr A Holt
Ms S Hearth
Ms S Kirkby (Resigned 1 July 2021)
Ms A Mould (Resigned 1 July 2021)
Dr L Howard
Mr T Stevens (Appointed 1 July 2021)

Trustees

Ms J Gilboy (Resigned 11 October 2021)
Mr R Mulvey (Resigned 1 July 2021)
Mr A Holt
Mr S Williams
Ms S Hearth
Ms S Kirkby
Ms A Mould
Dr R Guthrie
Mr M Rhowbotham
Mrs E Gautrey
Mr I Dodd
Mr C Morton (Appointed 14 October 2021)
Mr G Magrath (Appointed 10 December 2020)

Senior management team

- Executive Principal	S Williams
- Vice Principal	J Harrison
- Vice Principal	K Jackson
- Vice Principal	A Beckwith
- Vice Principal	C Pugh
- Vice Principal	A Emmerson
- Chief Financial Officer	N Ray

Company registration number

07552631 (England and Wales)

Registered office

Huntsmans Drive
Oakham
Rutland
LE15 6RP
United Kingdom

Academies operated

Catmose College
Catmose Primary
Harington School

Location

Oakham
Oakham
Oakham

Executive Principal

S Williams
S Williams
S Williams

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

REFERENCE AND ADMINISTRATIVE DETAILS

Independent auditor

Azets Audit Services
Ruthlyn House
90 Lincoln Road
Peterborough
PE1 2SP
United Kingdom

Bankers

HSBC
28 High Street
Oakham
Rutland
LE15 6AR
United Kingdom

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

Structure, governance and management

Constitution

The Federation is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Federation.

The trustees of Rutland and District Schools' Federation are also the directors of the charitable company for the purposes of company law. The charitable company is known as Rutland and District Schools' Federation. Details of the Trustees who served during the year are included in the Reference and Administrative Details on page 1.

There is an ongoing and regular audit of the finance function of the Multi Academy Trust carried out by an independent Responsible Officer, who is employed to carry out such role by an external company. In addition, there are internal audit processes and policies which must be adhered to and signed off.

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. The majority of trustees are appointed as legal members of the company, however there is also an independent Member.

Method of recruitment and appointment or election of Trustees

Notwithstanding Article 16, the subsequent members of the company shall be the directors, pursuant to Article 16A; and any person who is interested in the objects and approved as a member by the trustees.

The number of directors shall be not less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum.

Subject to Articles 48-49 and 53, the Academy Trust shall have the following Trustees:

- a. up to 3 Trustees, appointed under Article 50;
- b. up to 5 Academy Trustees, pursuant to Articles 51 and 52;
- c. up to 2 Trustees appointed by the Local Governing Body of Catmose College pursuant to Article 50A;
- d. a minimum of 2 Parent Trustees elected or appointed under Articles 53-56 in the event that no Local Governing Bodies are established under Article 100a or if no provision is made for at least 2 Parent Local Governors on each established Local Governing Body pursuant to Article 101A.; and
- e. the Executive Principal, if he is appointed pursuant to Article 57.

Each of the persons entitled to appoint members above shall have the right, from time to time by written notice delivered to the office, to remove any member appointed by them and to appoint a replacement member to fill a vacancy whether resulting from such removal or otherwise.

The term of office for any trustee shall be 4 years, save that this time limit shall not apply to the Principal. Subject to remaining eligible to be a particular type of governor, and governor may be re-appointed or re-elected.

Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new governors will depend on their existing experience. All new governors will be given a tour of the academy and the chance to meet with staff and students. All relevant governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as governors.

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Organisational structure

The structure consists of three levels: the trustees, senior leadership team and senior assistant principals. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The trustees and governors are responsible for setting policy, adopting an annual transformation plan and budget, monitoring the academy by the use of budgets and making major decisions about the direction of the academy, capital expenditure and senior staff appointments.

The senior leadership team are the Executive Principal who also acts as Accounting Officer, and Vice Principals, one of whom also acts as Chief Finance Officer. These leaders control the academies at an executive level, implementing the policies laid down by the trustees and governors, and reporting back to them. As a group, the senior leadership team are responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment boards for Executive Principal posts will contain a trustee. Some spending control is devolved to the senior assistant principals and assistant principals.

Arrangements for setting pay and remuneration of key management personnel

Pay determination on appointment of Senior Leadership Team members is set out in full in a Policy displayed on the website "Federation Staff Leadership Pay and Appraisal Policy" which is updated annually. The Federation Resources Committee will determine the pay range for a senior team vacancy prior to advertising it. On appointment, the Executive Principal will determine the starting salary within that range to be offered to the successful candidate. In making such determinations, they may take into account a range of factors, including:

- the prior service of the candidate;
- the nature of the post;
- the level of qualifications, skills and experience required;
- market conditions;
- recruitment to shortage subjects;
- the wider Federation context.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	1
Full-time equivalent employee number	1.00

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1%-50%	1
51%-99%	-
100%	-

Percentage of the total pay bill spent on facility time	0.01%
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Related parties and other connected charities and organisations

Related parties have been identified by the trustees in their annual disclosures of pecuniary interests. Further details are disclosed in note 23.

All staff complete a business interest form which is renewed on an annual basis.

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities

Objects and aims

Rutland & District Schools' Federation is an 11-16 mixed College, a primary school reception to year 6, and a sixth form school for 16-19 year olds serving the rural county of Rutland. We foster a genuine sense of respect for the individual alongside an appreciation of the culture and beliefs of others. Our ethos is one of equal value, outstanding progress.

The principal object of the academy trust is specifically restricted to the following, to advance the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum.

We plan and act to ensure that all our students make exceptional progress academically and in a range of other pursuits to ensure when they leave us they are able to thrive in the global modern world. We do this by recruiting and retaining the best staff, developing our workforce in a highly committed and cohesive group. We aim to be the first choice for parents, staff and students within the local area, who are attracted by our emphasis on traditional values of personal responsibility, high standards and excellent outcomes. Students will have a strong pride in their school, contributing to its wider life and that of their own communities ensuring the Federation has a positive public image which is seen as an exemplar of citizenship and civility.

We create an inspiring and stimulating learning environment in each academy in order to best nurture students who become engaged in their learning. The curriculum we offer is broad including languages, the sciences and humanities, complemented by a challenging range of enrichment subjects allowing students to specialise in their strengths as they grow in awareness of their own talents. The Arts, both visual and performing are an important part of our ethos; we believe that creative people will be successful. In addition, we offer an extensive range of opportunities to gain cultural and educational experiences outside of the classroom through our programme of trips and visits.

We aim to offer exemplar practice in SEN provision; and a fully inclusive philosophy allowing all students to fulfil their potential.

We actively engage with parents and guardians of students to ensure high levels of engagement that support the progress their children make with us.

Equal opportunities policy

We are an inclusive workplace and place of learning - our Equality & Diversity Policy is available on our website.

Disabled persons

The academy trust complies fully with DDA regulations and is equipped to welcome and teach any child with a disability.

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing the charity's aim and objectives and in planning future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report

Achievements and performance

The academy trust continued to achieve our forecast numbers of students. The College and primary school are popular in the local area with high percentages of Reception and Year 7 applications. Total students in the period ended 31 August 2021 numbered 1027 in the College and 202 in the Primary school. Harington School's number on role at 31 August 2021 had reached 273 and the school was heavily over subscribed recently in September 2021.

COVID-19

The pandemic continued to have a serious impact on education, with further lockdowns imposed by the government to try and overcome the infection rate. We continued to support vulnerable students, those students who would normally attend our dedicated special provision, and children of key workers. We created bubbles for these groups and taught them in school, in year groups. Staff continued to provide remote learning for all other students – the vast majority – who were at home. Staff adapted well to delivering remote lessons and supporting students from home. Workload increased significantly.

Other news

Students start at the College with levels of attainment that are generally in line with national average attainment at KS2. They progress exceptionally well and, by the end of Year 11, attainment is high in most subjects, with only slight variations year by year. The College has established a track record for enabling its students to attain consistently well above national average standards in GCSE examinations. Even more students are on track to achieve these high results again this year. Disabled students and those with special educational needs receive well-targeted support based on early diagnosis of need and, as a result, they too make exceptional progress. There are few differences in the achievement of different groups of students in the College and where gaps do occur robust action is taken to close them. (OFSTED Report 2012 Outcome Outstanding).

The primary school was last inspected in 2017 and was judged Good in all areas. Attainment and progress across the core subjects of Reading, Phonics, Writing, Mathematics and Science have all continued to improve and are now either above or broadly in-line with national averages. All children are supported to develop their academic skills and personal skills with 'pupils overwhelmingly expressed their enjoyment of their learning, especially the trips, events and club activities (OFSTED Report 2017). Attendance is consistently higher than average.

In light of the cancelled examinations there are no exam outcomes to provide here.

Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the Federation has adequate resources to continue in operational existence for the foreseeable future. For this reason, the board of trustees continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Financial review

Most of the academy trust's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, some of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2021 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The academy trust also receives grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2005), such grants 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 expected useful life of the assets concerned.

During the year ended 31 August 2021, total expenditure £10,154,280 was met by recurrent grant funding from the ESFA together with other incoming resources.

At 31 August 2021, the net book value of fixed assets was £27,596,140. Movements in tangible fixed assets are shown in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the academy trust.

The academy trust held fund balances at 31 August 2021 of £23,845,918 comprising £22,956,394 of restricted funds and £889,524 of unrestricted general funds.

The Local Government Pension Scheme, in which the academy participates, showed a deficit of £5,789,000 at 31 August 2021 and is considered part of restricted funds.

Reserves policy

The trustees review the reserve levels of the academy 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 trustees have determined that the appropriate level of free reserves should be equivalent to one month's expenditure. 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 such as urgent maintenance.

Investment policy

Under the Memorandum and Articles of Association, the academy trust has the power to invest funds not immediately required for its own purposes, in any way the trustees see fit. The organisation has a positive cash balance to cover eventualities and unforeseen expenses. The banking facilities are reviewed on a regular basis.

Principal risks and uncertainties

The trustees have assessed the major risks to which the academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the academy, and its finances. The governors have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. Where significant risk still remains, governors have ensured they have adequate insurance cover. The academy has an effective system of internal financial controls.

Risk is analysed on a live document by members of the SLT and new risks are considered, identified and documented in advance of each academic year.

Fundraising

The academy trust does not use external fundraisers. All fundraising undertaken during the year was by students, and was monitored by the trustees.

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Streamlined Energy and Carbon Reporting (SECR)

	Catmose College	Harington School	Catmose Primary	Federation Total
Energy Consumption Breakdown				
Gas	1,643,809	118,491	203,458	1,965,758
Electricity	1,065,522	50,658	75,988	1,192,168
Transport Fuel	2,621			2,621
Scope 1 Emissions				
Gas Consumption	302.25	21.79	37.41	361.44
Owned Transport Minibuses	0.44			0.44
Total Scope 1 tCO₂e	302.69	21.79	37.41	361.89
Scope 2 Emissions				
Purchased Electricity	248.42	11.81	17.72	277.94
Scope 3 Emissions				
Business Travel in employee owned vehicles	0.0	0.0	0.0	0.0
Total gross emissions In metric tonnes CO₂e	551.11	33.60	55.13	639.83
Autumn 2020 Pupil Census	1,030	275	202	1,507
Intensity ratio tonnes CO ₂ e per pupil	0.54	0.12	0.27	0.42

Plans for future periods

The academy trust will continue striving to improve the levels of performance of its students at all levels, and all age groups, and will continue its efforts to ensure its students achieve employment or a place in higher education once they leave.

The Federation has an outstanding understanding of its strengths and areas for development, based on rigorous analysis of data and monitoring of teaching and learning. The Federation makes good use of external validation to secure its judgement on the quality of provision and subsequent outcomes. The Transformation Plan is the trust's strategic plan for improvement and is based on regular analysis of data which is meticulously analysed by the Principal and the senior leadership team. The plan is adopted annually and regularly monitored by the SLT and trustees. It is underpinned by appropriate budget links.

School improvement strategies are highly effective because subjects identified as previously underperforming have been successfully addressed through a combination of rigorous monitoring, outstanding CPD, including coaching and thorough analysis of examination results. The schools make good provision for personalised learning, support and intervention programmes for individual students and the quality of provision for inclusion is outstanding due to bespoke programmes aimed at raising achievement.

The strive for excellence is evident in many aspects of school life, but particularly in the strong culture of collaboration, openness and commitment to professional learning. Staff CPD is outstanding in the way that all staff work relentlessly at sharing best practice with schools and fulfil the school's moral imperative at improving the quality of learning both at a local, national and international level.

Senior leaders continue to risk assess the impact of COVID-19 on the students and staff; mindful of local lockdown rules and striving to maintain normality for students. Students who have fallen behind during lockdown have been identified and strategies are in place to help them catch up with their peers.

Funds held as custodian trustee on behalf of others

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The academy trust and its trustees do not act as the custodian trustees of any charity.

Auditor

In so far as the Trustees are aware:

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

A resolution proposing that Azets Audit Services be reappointed as auditor of the charitable company will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 9.12.21..... and signed on its behalf by:



.....
Mr A Holt

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021

Scope of responsibility

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

The board of trustees has delegated the day-to-day responsibility to the Executive Principal, 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 Rutland And District Schools' Federation and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 4 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
Ms J Gilboy (Resigned 11 October 2021)	3	4
Mr R Mulvey (Resigned 1 July 2021)	2	4
Mr A Holt	3	4
Mr S Williams	4	4
Ms S Hearth	2	4
Ms S Kirkby	2	4
Ms A Mould	2	4
Dr R Guthrie	4	4
Mr M Rhowbotham	4	4
Mrs E Gautrey	4	4
Mr I Dodd	3	4
Mr C Morton (Appointed 14 October 2021)	0	0
Mr G Magrath (Appointed 10 December 2020)	4	4

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The Resources Federation Committee is a sub-committee of the main board of trustees. Its purpose is to advise the board of trustees on all matters regarding finance, the property and personnel.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
Ms J Gilboy (Resigned 11 October 2021)	5	6
Mr A Holt	6	6
Mr S Williams	6	6
Ms S Hearth	4	6
Ms S Kirkby	4	6
Dr R Guthrie	6	6
Mr M Rhowbotham	6	6
Mrs E Gautrey	6	6
Mr I Dodd	4	6

Review of value for money

As accounting officer the Executive Principal has responsibility for ensuring that the Federation 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.

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The Federation applies the four principles of best value:

Challenge – Is the school's performance high enough? What do parents want?

Compare – How does the school's student performance and financial performance compare with other school?
How does it compare with similar schools?

Consult – How does the school seek the views of stakeholders about the services the school provides?

Compete – How does the school secure efficient and effective services? Are services of appropriate quality, economic?

The Principal and CFO meet weekly at finance meetings. Each September, they consider the strands of the Federation Transformation Plan and make decisions regarding:

- The allocation of resources to best promote the aims and values of the schools.
- The targeting of resources to best improve standards and the quality of provision.
- The use of resources to best support the various educational needs of all students.

Discussion around priority use of Pupil Premium Grant funding (PPG) determined use through the year, including a delegated budget to the intervention team to target an improvement offer to ensure all students have the opportunity to raise their individual levels of attainment, and financial subsidies to ensure student participation in the elective programme to establish 'buy-in' from all students. Students who attend school, achieve. Trips' participation is monitored and participation opportunities are directed towards students who are in receipt of free school meals.

Funding was directed at enrichment, and the College's unique scholarship programme (covering Music, Sport and Academic scholarships), and the popular elective programme.

The weekly meetings enabled sign off by the Accounting Officer (AO) of the budget, variance reports, Responsible Officer reports, PPG use, staffing rationale, payroll transactions and reports, and procurement (orders, payments, contracts). The AO also witnesses the signed off bank reconciliation report and bank statements.

The AO is both responsible and accountable for achieving value for money in their organisation. VFM is about achieving the best possible educational and wider societal outcomes through the economic, efficient and effective use of all resources in the trust's charge. Where that is achieved, this will result in better educational results; waste and extravagance are avoided; there is prudent and economical administration of the organisation; there is rigorous financial governance, with up to date financial records and accountability. The Financial Management Policy lays down strict guidelines for purchasing and monitoring. When assessing contracts or tenders, the best value assessment is not always the cheapest solution.

The AO and Chief Finance Officer (CFO) reported to the Trust Resources Committee six times during the year. There was robust challenge on all aspects of resource management by the Committee, who received information on all staffing, financial, and site matters. Trustees receive monthly variance report of the accounts, and a narrative which examines the current position.

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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 on-going process designed to identify and prioritise the risks to the achievement of Federation 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 Rutland and District Schools' Federation for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and accounts.

The Federation worked within its budget and used resources wisely, both from an educational point of view and a wider societal point of view.

All schools in the Federation enjoy thriving arts and sports teams offering opportunities both after school and during curriculum time with specialist coaches. The Catmose College Sports teams once again retained the Varsity Cup, a local competition running throughout the whole academic year involving over 20 sports. Shared staffing between the schools ensured that the College sustained a larger portfolio of staff, and the primary school had timetabled subject specialists for art, sport and languages. This close collaboration makes the schools stronger as one unit.

Efficiencies have been made across the Federation sites by deploying the same catering and facilities management teams to all schools, and by the sister schools tapping in to our IT expert post holders based at the College. The finance function, including payroll, is performed at one site for all schools.

The Federation has an Audit & Scrutiny Panel which has core Trustee membership, and brings in bespoke expertise according to the audit subject. This group meets not less than three times per year with a different focus – eg. Behaviour, Cyber Security, Finance & Budget setting, Governance.

Capacity to handle risk

The board of Trustees has reviewed the key risks to which the Federation is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Federation's significant risks that has been in place for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of Trustees.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the Federation 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 trustees has considered the need for a specific internal audit function and has engaged an external company Education Business Consultancy Limited to perform three Responsible Officer checks each year.

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The Responsible Officer's (RO) role includes giving advice on financial matters and performing a range of checks on the Federation's financial systems. The RO reports to the governing body on the operation of the systems of control and on the discharge of the governing body's financial responsibilities.

Review of effectiveness

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

- weekly finance meetings with the CFO;
- the work of the Responsible Officer
- the work of the executive managers within the Federation who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the board of trustees on^{9.12.21}..... and signed on its behalf by:



Mr A Holt



Mr S Williams

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2021

As accounting officer of Rutland and District Schools' Federation I have considered my responsibility to notify the Federation board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Federation 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.

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

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



Mr S Williams
Accounting Officer

10.9.21
.....

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees (who are also the directors of Rutland and District Schools' Federation for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2020 to 2021 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare accounts for each financial year. Under company law, the Trustees must not approve the accounts 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 accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 9.12.21 and signed on its behalf by:



Mr A Holt

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RUTLAND AND DISTRICT SCHOOLS' FEDERATION

FOR THE YEAR ENDED 31 AUGUST 2021

Opinion

We have audited the accounts of Rutland and District Schools' Federation for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The Trustees are responsible for the other information, which comprises the information included in the annual report other than the accounts and our auditor's report thereon. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RUTLAND AND DISTRICT SCHOOLS' FEDERATION (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Federation and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report, including the incorporated 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 accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of trustees' responsibilities, the Trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the accounts

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RUTLAND AND DISTRICT SCHOOLS' FEDERATION (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of senior leadership, Governors/Trustees and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations including compliance with the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency;
- Performing audit work over the recognition of grant income and the allocation of expenditure to funds;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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



Mr Mark Jackson FCA DChA (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

13.12.2021

Chartered Accountants
Statutory Auditor

Ruthlyn House
90 Lincoln Road
Peterborough
United Kingdom
PE1 2SP

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO RUTLAND AND DISTRICT SCHOOLS' FEDERATION AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2021

In accordance with the terms of our engagement letter dated 17 September 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Rutland and District Schools' Federation during the period 1 September 2020 to 31 August 2021 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 Rutland and District Schools' Federation and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Rutland and District Schools' Federation 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 Rutland and District Schools' Federation and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Rutland and District Schools' Federation's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Rutland and District Schools' Federation's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1 September 2020, 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 2020 to 2021. 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 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- a review of the activities of the academy, by reference to sources of income and other information available to us;
- sample testing of expenditure, including payroll;
- a review of minutes of trustees' meetings.

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO RUTLAND AND DISTRICT SCHOOLS' FEDERATION AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Reporting Accountant

Azets Audit Services
Ruthlyn House
90 Lincoln Road
Peterborough
PE1 2SP
United Kingdom

Dated: 13.12.2021

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted funds £	Restricted funds: General £	Fixed asset £	Total 2021 £	Total 2020 £
Income and endowments from:						
Donations and capital grants	3	-	-	637,872	637,872	36,598
Charitable activities:						
- Funding for educational operations	4	535,507	8,700,445	-	9,235,952	8,520,508
- Funding for teaching school	26	-	122,881	-	122,881	136,032
Other trading activities	5	154,344	-	-	154,344	130,821
Investments	6	10,641	-	-	10,641	14,266
Total		700,492	8,823,326	637,872	10,161,690	8,838,225
Expenditure on:						
Charitable activities:						
- Educational operations	9	708,873	8,574,289	743,612	10,026,774	9,818,873
- Teaching School	26	-	127,506	-	127,506	143,921
Total	8	708,873	8,701,795	743,612	10,154,280	9,962,794
Net income/(expenditure)		(8,381)	121,531	(105,740)	7,410	(1,124,569)
Transfers between funds	19	-	(119,971)	119,971	-	-
Other recognised gains/(losses)						
Actuarial losses on defined benefit pension schemes	20	-	(1,142,000)	-	(1,142,000)	(274,000)
Net movement in funds		(8,381)	(1,140,440)	14,231	(1,134,590)	(1,398,569)
Reconciliation of funds						
Total funds brought forward		897,905	(4,123,295)	28,205,898	24,980,508	26,379,077
Total funds carried forward		889,524	(5,263,735)	28,220,129	23,845,918	24,980,508

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

Comparative year information Year ended 31 August 2020	Notes	Unrestricted	Restricted funds:		Total
		funds	General	Fixed asset	2020
		£	£	£	£
Income and endowments from:					
Donations and capital grants	3	-	-	36,598	36,598
Charitable activities:					
- Funding for educational operations	4	580,272	7,940,236	-	8,520,508
- Funding for teaching school	26	-	136,032	-	136,032
Other trading activities	5	130,821	-	-	130,821
Investments	6	14,266	-	-	14,266
Total		725,359	8,076,268	36,598	8,838,225
Expenditure on:					
Charitable activities:					
- Educational operations	9	714,024	8,358,866	745,983	9,818,873
- Teaching School	26	-	143,921	-	143,921
Total	8	714,024	8,502,787	745,983	9,962,794
Net income/(expenditure)		11,335	(426,519)	(709,385)	(1,124,569)
Transfers between funds	19	(24,484)	(27,370)	51,854	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	20	-	(274,000)	-	(274,000)
Net movement in funds		(13,149)	(727,889)	(657,531)	(1,398,569)
Reconciliation of funds					
Total funds brought forward		911,054	(3,395,406)	28,863,429	26,379,077
Total funds carried forward		897,905	(4,123,295)	28,205,898	24,980,508

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	14		27,596,140		28,159,450
Current assets					
Debtors	16	132,198		106,682	
Cash at bank and in hand		2,862,282		1,440,927	
		<u>2,994,480</u>		<u>1,547,609</u>	
Current liabilities					
Creditors: amounts falling due within one year	17	(955,702)		(557,551)	
Net current assets			<u>2,038,778</u>		<u>990,058</u>
Net assets excluding pension liability			29,634,918		29,149,508
Defined benefit pension scheme liability	20	(5,789,000)		(4,169,000)	
Total net assets			<u>23,845,918</u>		<u>24,980,508</u>
Funds of the Federation:					
Restricted funds	19				
- Fixed asset funds			28,220,129		28,205,898
- Restricted income funds			525,265		45,705
- Pension reserve			(5,789,000)		(4,169,000)
Total restricted funds			<u>22,956,394</u>		<u>24,082,603</u>
Unrestricted income funds	19		<u>889,524</u>		<u>897,905</u>
Total funds			<u>23,845,918</u>		<u>24,980,508</u>

The accounts on pages 22 to 48 were approved by the Trustees and authorised for issue on 9.12.21 and are signed on their behalf by:

Mr A Holt

Company Number 07552631

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Net cash provided by operating activities	22		953,144		78,258
Cash flows from investing activities					
Dividends, interest and rents from investments		10,641		14,266	
Capital grants from DfE Group		37,872		36,598	
Capital funding received from sponsors and others		600,000		-	
Purchase of tangible fixed assets		(180,302)		(73,889)	
Proceeds from sale of tangible fixed assets		-		2,011	
Net cash provided by/(used in) investing activities			468,211		(21,014)
Net increase in cash and cash equivalents in the reporting period			1,421,355		57,244
Cash and cash equivalents at beginning of the year			1,440,927		1,383,683
Cash and cash equivalents at end of the year			2,862,282		1,440,927
Relating to:					
Bank and cash balances			2,805,539		1,383,646
Short term deposits			56,743		57,281

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

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

1.1 Basis of preparation

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

1.2 Going concern

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

The trustees have taken consideration of the effects of COVID-19 in making their assessment.

1.3 Income

All incoming resources are recognised when the Federation 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 period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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

Donations

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

Other income

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

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the accounts until they are sold. This income is recognised within 'Income from other trading activities'.

Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Federation's accounting policies.

1.4 Expenditure

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

Expenditure 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 are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

Governance costs

These include the costs attributable to the Federation's compliance with constitutional and statutory requirements, including audit, strategic management, trustees' meetings and reimbursed expenses.

1.5 Tangible fixed assets and depreciation

Assets costing £2,000 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. 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 such assets is charged to the restricted fixed asset fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Federation's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

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

Freehold buildings	2%
Assets under construction	nil until asset is in use
Fixtures, fittings & equipment	25%
Motor vehicles	25%

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

The land for Catmose College introduced into the academy trust from the previous local authority school was transferred in at depreciated replaceable cost per the valuation at 31 March 2012 by a professional valuer commissioned by ESFA, however the property was transferred in at the construction value.

The property for Catmose Primary introduced into the academy trust from the previous local authority school was transferred in at depreciated replaceable cost per the valuation at 31 March 2013 by a professional valuer commissioned by ESFA.

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

1.6 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 Federation 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.

1.7 Leased assets

Rentals under operating leases are charged on a straight-line basis over the lease term.

1.8 Financial instruments

The Federation only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Federation and their measurement basis are as follows.

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. 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. 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.

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.9 Taxation

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

1.10 Pensions benefits

Retirement benefits to employees of the Federation are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the Federation.

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the Federation 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 based on quadrennial valuations using a prospective unit credit method. The 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 are 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 Federation 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 net income or expenditure are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1.11 Fund accounting

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

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

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

Designated funds are where the trustees have ring fenced unrestricted income for specific projects.

2 Critical accounting estimates and areas of judgement

Accounting estimates and judgements 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.

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

2 Critical accounting estimates and areas of judgement

(Continued)

Critical accounting estimates and assumptions

The Federation 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 20, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. 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.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Capital grants	-	637,872	637,872	36,598

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

4 Funding for the Federation's educational operations

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
DfE / ESFA grants				
General annual grant (GAG)	-	7,345,148	7,345,148	6,859,936
Other DfE / ESFA grants:				
UIFSM	-	29,382	29,382	32,338
Pupil premium	-	215,607	215,607	223,014
Teachers pension grants	-	283,027	283,027	281,136
Teachers pay grants	-	100,160	100,160	101,540
Others	-	146,638	146,638	85,453
	-	8,119,962	8,119,962	7,583,417
Other government grants				
Local authority grants	-	361,509	361,509	326,621
COVID-19 additional funding (DfE/ESFA)				
Catch-up premium (DfE/ESFA)	-	102,560	102,560	-
Other DfE/ESFA COVID-19 funding	-	77,566	77,566	-
	-	180,126	180,126	-
COVID-19 additional funding (non-DfE/ESFA)				
Other COVID-19 funding	-	10,175	10,175	5,943
	-	10,175	10,175	5,943
Other funding				
Teaching School income	-	122,881	122,881	136,032
Other incoming resources	535,507	28,673	564,180	604,527
	535,507	151,554	687,061	740,559
Total funding	535,507	8,823,326	9,358,833	8,656,540

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

4 Funding for the Federation's educational operations

(Continued)

Analysis of ESFA covid funding spend required to complete above and note below

The academy trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "COVID-19 additional funding".

- The funding received for coronavirus support from DfE/ESFA covers £XX,XXX of additional costs arising as a result of COVID-19. These costs are included in notes 8 and 9 below as appropriate.

- The non-DfE/ESFA funding received for coronavirus statutory sick pay rebate of £10,175 relates to staff costs which are included within note 11 below as appropriate.

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Bussing income	85,140	-	85,140	54,360
Minibus income	170	-	170	3,794
Service users	68,690	-	68,690	70,312
Commissions received	344	-	344	2,355
	<u>154,344</u>	<u>-</u>	<u>154,344</u>	<u>130,821</u>

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Interest received	10,641	-	10,641	14,266
	<u>10,641</u>	<u>-</u>	<u>10,641</u>	<u>14,266</u>

7 Central services

The Federation does not have a central services function, however Catmose College do carry out various services on behalf of Catmose Primary and Harington School. These include:

- SLT function;
- facilities management;
- finance function;
- library service
- ICT; or
- primary sport liaison

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

8 Expenditure

	Staff costs £	Non-pay expenditure Premises £	Other £	Total 2021 £	Total 2020 £
Academy's educational operations					
- Direct costs	5,773,196	-	592,775	6,365,971	6,198,038
- Allocated support costs Teaching School	1,775,957	1,223,598	661,248	3,660,803	3,620,835
- Direct costs	77,145	-	50,361	127,506	143,921
	<u>7,626,298</u>	<u>1,223,598</u>	<u>1,304,384</u>	<u>10,154,280</u>	<u>9,962,794</u>

Net income/(expenditure) for the year includes:	2021 £	2020 £
Fees payable to auditor for:		
- Audit	12,900	12,600
- Other services	1,400	1,350
Depreciation of tangible fixed assets	743,612	745,983
Net interest on defined benefit pension liability	75,000	69,000
	<u>750,912</u>	<u>1,568,936</u>

9 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Direct costs				
Educational operations	188,783	6,177,188	6,365,971	6,198,038
Teaching School	-	127,506	127,506	143,921
Support costs				
Educational operations	520,090	3,140,713	3,660,803	3,620,835
	<u>708,873</u>	<u>9,445,407</u>	<u>10,154,280</u>	<u>9,962,794</u>

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

9 Charitable activities

(Continued)

Analysis of costs	Teaching School £	Educational operations £	Total 2021 £	Total 2020 £
Direct costs				
Teaching and educational support staff costs	77,145	5,773,196	5,850,341	5,620,158
Staff development	-	18,042	18,042	40,509
Technology costs	-	102,088	102,088	80,259
Educational supplies and services	50,361	243,486	293,847	337,237
Other direct costs	-	229,159	229,159	263,796
	<u>127,506</u>	<u>6,365,971</u>	<u>6,493,477</u>	<u>6,341,959</u>
Support costs				
Support staff costs	-	1,775,957	1,775,957	1,694,211
Depreciation	-	743,612	743,612	745,983
Maintenance of premises and equipment	-	101,651	101,651	147,497
Rent, rates and other occupancy costs	-	378,335	378,335	379,140
Transport	-	94,640	94,640	86,112
Catering	-	235,707	235,707	230,077
Finance costs	-	75,000	75,000	69,000
Other support costs	-	236,080	236,080	237,340
Governance costs	-	19,821	19,821	31,475
	<u>-</u>	<u>3,660,803</u>	<u>3,660,803</u>	<u>3,620,835</u>

10 Governance costs

All from restricted funds:	Total 2021 £	Total 2020 £
Amounts included in support costs		
Legal costs	4,919	16,939
Auditor's remuneration		
- Audit of financial statements	12,900	12,600
- Other audit costs	1,400	1,350
Trustees' reimbursed expenses	602	586
	<u>19,821</u>	<u>31,475</u>

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

11 Staff

Staff costs

Staff costs during the year were:

	2021 £	2020 £
Wages and salaries	5,064,543	4,891,094
Social security costs	630,052	598,672
Pension costs	1,882,088	1,787,077
	<hr/>	<hr/>
Staff costs - employees	7,576,683	7,276,843
Agency staff costs	-	1,530
Staff restructuring costs	5,547	-
	<hr/>	<hr/>
Staff development and other staff costs	7,582,230 62,110	7,278,373 76,504
	<hr/>	<hr/>
Total staff expenditure	7,644,340	7,354,877
	<hr/> <hr/>	<hr/> <hr/>

Staff restructuring costs comprise:

Redundancy payments	5,547	-
	<hr/> <hr/>	<hr/> <hr/>

Staff numbers

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

	2021 Number	2020 Number
Teachers	99	105
Administration and support	97	105
Management	8	7
	<hr/>	<hr/>
	204	217
	<hr/> <hr/>	<hr/> <hr/>

The number of persons employed, expressed as a full time equivalent, was as follows:

	2021 Number	2020 Number
Teachers	81	91
Administration and support	69	71
Management	8	7
	<hr/>	<hr/>
	158	169
	<hr/> <hr/>	<hr/> <hr/>

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

11 Staff

(Continued)

Higher paid staff

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

	2021 Number	2020 Number
£60,001 - £70,000	3	5
£70,001 - £80,000	3	1
£110,001 - £120,000	-	1
£120,001 - £130,000	1	-
	=====	=====

Key management personnel

The key management personnel of the Federation comprise the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Federation was £736,056 (2020: £694,151). This represents 7 (2020: 7) members of staff.

12 Trustees' remuneration and expenses

One or more of the Trustees has been paid remuneration or has received other benefits from an employment with the Federation. The Executive Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Executive Principal and staff members under their contracts of employment, and not in respect of their services as Trustees.

The value of trustees' remuneration and other benefits for the period that they were a trustee was as follows:

S Williams (Executive Principal and Trustee):

- Remuneration £120,000 - £125,000 (2020: £110,000 - £115,000)
- Employer's pension contributions £25,000 - £30,000 (2020: £25,000 - £30,000)

During the year, travel and subsistence payments totalling £nil (2020: £42) were reimbursed or paid directly to Trustees (2020: 1 Trustee).

In addition to the above the school employed two members of staff during the year who are related to trustees. The total remuneration paid, including employer's pension contributions, was £71,518 (2020: £69,295).

Other related party transactions involving the Trustees are set out within the related parties note.

13 Trustees' and officers' insurance

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

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

14 Tangible fixed assets

	Freehold buildings	Assets under construction	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 September 2020	33,125,036	-	2,099,901	61,272	35,286,209
Additions	83,967	7,160	89,175	-	180,302
At 31 August 2021	33,209,003	7,160	2,189,076	61,272	35,466,511
Depreciation					
At 1 September 2020	5,165,763	-	1,899,724	61,272	7,126,759
Charge for the year	626,953	-	116,659	-	743,612
At 31 August 2021	5,792,716	-	2,016,383	61,272	7,870,371
Net book value					
At 31 August 2021	27,416,287	7,160	172,693	-	27,596,140
At 31 August 2020	27,959,273	-	200,177	-	28,159,450

15 Financial instruments

	2021	2020
	£	£
Carrying amount of financial assets		
Trade debtors	13,765	34,036
Bank and cash	2,862,282	1,440,927
	2,876,047	1,474,963
Carrying amount of financial liabilities		
Trade creditors	322,193	107,905
Other creditors	142,054	127,871
Accruals	116,348	144,394
	580,595	380,170

16 Debtors

	2021	2020
	£	£
Trade debtors	13,765	34,036
VAT recoverable	35,281	17,764
Prepayments and accrued income	83,152	54,882
	132,198	106,682

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

17 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	322,193	107,905
Other taxation and social security	255,866	119,695
Other creditors	142,054	127,871
Accruals and deferred income	235,589	202,080
	<u>955,702</u>	<u>557,551</u>

18 Deferred income

	2021	2020
	£	£
Deferred income is included within:		
Creditors due within one year	119,241	57,686
	<u>119,241</u>	<u>57,686</u>
Deferred income at 1 September 2020	57,686	183,987
Released from previous years	(57,686)	(183,987)
Resources deferred in the year	119,241	57,686
	<u>119,241</u>	<u>57,686</u>
Deferred income at 31 August 2021	<u>119,241</u>	<u>57,686</u>

At the balance sheet date the Federation was holding funds received in advance for the next school year. This consists of income for school trips, school meals and funding received in advance.

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

19 Funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	-	7,345,148	(6,740,992)	(119,971)	484,185
UIFSM	-	29,382	(29,382)	-	-
Pupil premium	-	215,607	(215,607)	-	-
Teachers pension grants	-	283,027	(283,027)	-	-
Teachers pay grants	-	100,160	(100,160)	-	-
PE and sports premium	-	17,790	(17,790)	-	-
Other DfE / ESFA grants	-	128,848	(128,848)	-	-
Other government grants	-	361,509	(361,509)	-	-
COVID-19 catch up premium	-	102,560	(102,560)	-	-
COVID-19 additional funding (DfE / ESFA)	-	77,566	(77,566)	-	-
COVID-19 additional funding (non-DfE / ESFA)	-	10,175	(10,175)	-	-
Teaching School	45,705	122,881	(127,506)	-	41,080
Other restricted funds	-	28,673	(28,673)	-	-
Pension reserve	(4,169,000)	-	(478,000)	(1,142,000)	(5,789,000)
	<u>(4,123,295)</u>	<u>8,823,326</u>	<u>(8,701,795)</u>	<u>(1,261,971)</u>	<u>(5,263,735)</u>
Restricted fixed asset funds					
Fixed asset fund	46,448	637,872	-	(60,331)	623,989
Capital expenditure from GAG	28,159,450	-	(743,612)	180,302	27,596,140
	<u>28,205,898</u>	<u>637,872</u>	<u>(743,612)</u>	<u>119,971</u>	<u>28,220,129</u>
Total restricted funds	<u>24,082,603</u>	<u>9,461,198</u>	<u>(9,445,407)</u>	<u>(1,142,000)</u>	<u>22,956,394</u>
Unrestricted funds					
General funds	840,590	512,299	(520,090)	-	832,799
School fund	57,315	188,193	(188,783)	-	56,725
	<u>897,905</u>	<u>700,492</u>	<u>(708,873)</u>	<u>-</u>	<u>889,524</u>
Total funds	<u>24,980,508</u>	<u>10,161,690</u>	<u>(10,154,280)</u>	<u>(1,142,000)</u>	<u>23,845,918</u>

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

19 Funds

(Continued)

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

General Annual Grant must be used for the normal running costs of the College. Under the funding agreement with the Secretary of State, the Federation was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2021.

The restricted grant income in the year all relates to the provision of education for the students attending the Federation.

The pension provision equates to the deficit on the Local Government Pension Scheme FRS102 valuation.

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.

Restricted Fixed Assets Funds represent capital funding received from the ESFA and other sources. In accordance with the accounting policies set out in note 1, assets are capitalised where applicable, and depreciation is charged to this fund over the assets' useful economic life. Where costs are not capital in nature they are charged directly to this fund as an expense.

The School fund is designated by governors for use in a variety of different areas, including school trips.

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

19 Funds

(Continued)

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	-	6,859,936	(6,832,566)	(27,370)	-
Pupil premium	-	223,014	(223,014)	-	-
Other DfE / ESFA grants	-	500,467	(500,467)	-	-
Other government grants	-	332,564	(332,564)	-	-
Teaching School	53,594	136,032	(143,921)	-	45,705
Other restricted funds	-	24,255	(24,255)	-	-
Pension reserve	(3,449,000)	-	(446,000)	(274,000)	(4,169,000)
	<u>(3,395,406)</u>	<u>8,076,268</u>	<u>(8,502,787)</u>	<u>(301,370)</u>	<u>(4,123,295)</u>
Restricted fixed asset funds					
Fixed asset funds	29,874	36,598	-	(20,024)	46,448
Capital expenditure from GAG	28,833,555	-	(745,983)	71,878	28,159,450
	<u>28,863,429</u>	<u>36,598</u>	<u>(745,983)</u>	<u>51,854</u>	<u>28,205,898</u>
Total restricted funds	<u>25,468,023</u>	<u>8,112,866</u>	<u>(9,248,770)</u>	<u>(249,516)</u>	<u>24,082,603</u>
Unrestricted funds					
General funds	852,646	502,961	(490,533)	(24,484)	840,590
School fund	58,408	222,398	(223,491)	-	57,315
	<u>911,054</u>	<u>725,359</u>	<u>(714,024)</u>	<u>(24,484)</u>	<u>897,905</u>
Total funds	<u>26,379,077</u>	<u>8,838,225</u>	<u>(9,962,794)</u>	<u>(274,000)</u>	<u>24,980,508</u>

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

19 Funds

(Continued)

Total funds analysis by academy

	2021	2020
	£	£
Fund balances at 31 August 2021 were allocated as follows:		
Catmose College	1,430,466	1,045,065
Catmose Primary	387,734	376,443
Harington School	(403,411)	(477,898)
	<hr/>	<hr/>
Total before fixed assets fund and pension reserve	1,414,789	943,610
Restricted fixed asset fund	28,220,129	28,205,898
Pension reserve	(5,789,000)	(4,169,000)
	<hr/>	<hr/>
Total funds	<u>23,845,918</u>	<u>24,980,508</u>

Total cost analysis by academy

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

	Teaching and educational support staff	Other support staff costs	Educational supplies	Other costs excluding depreciation	Total 2021	Total 2020
	£	£	£	£	£	£
Catmose College	4,277,955	1,510,961	178,521	1,161,609	7,129,046	7,004,745
Catmose Primary	502,283	221,165	35,908	183,277	942,633	896,105
Harington School	1,070,103	43,831	79,418	145,637	1,338,989	1,315,961
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	<u>5,850,341</u>	<u>1,775,957</u>	<u>293,847</u>	<u>1,490,523</u>	<u>9,410,668</u>	<u>9,216,811</u>

20 Pension and similar obligations

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

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

Contributions amounting to £142,036 (2020: £127,871) were payable to the schemes at 31 August 2021 and are included within creditors.

Teachers' Pension Scheme

Introduction

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

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

20 Pension and similar obligations

(Continued)

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019.

The key elements of the valuation and subsequent consultation are:

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

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to the TPS in the period amounted to £895,955 (2020: £852,389).

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 Federation has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Federation has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 21.9% or 22.9% for employers and 5.5% to 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.

Total contributions made	2021	2020
	£	£
Employer's contributions	352,000	335,000
Employees' contributions	97,000	90,000
	<hr/>	<hr/>
Total contributions	449,000	425,000
	<hr/>	<hr/>

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

20 Pension and similar obligations

(Continued)

Principal actuarial assumptions	2021 %	2020 %
Rate of increase in salaries	3.4	2.7
Rate of increase for pensions in payment/inflation	2.9	2.2
Discount rate for scheme liabilities	1.65	1.7

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

	2021 Years	2020 Years
Retiring today		
- Males	21.7	21.5
- Females	24.2	23.8
Retiring in 20 years		
- Males	22.6	22.2
- Females	25.9	25.2

Scheme liabilities would have been affected by changes in assumptions as follows:

	2021 £'000	2020 £'000
0.1% decrease in Real Discount Rate	339	265
1 year increase in member life expectancy	511	N/A
0.1% increase in the Salary Increase Rate	30	25
0.1% increase in the Pension Increase Rate	305	235

The Federation's share of the assets in the scheme

	2021 Fair value £	2020 Fair value £
Equities	4,046,000	3,155,000
Bonds	2,023,000	1,551,000
Cash	419,000	214,000
Property	488,000	428,000
Total market value of assets	6,976,000	5,348,000

The actual return on scheme assets was £1,218,000 (2020: £(85,000)).

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

20 Pension and similar obligations

(Continued)

Amount recognised in the statement of financial activities	2021 £	2020 £
Current service cost	755,000	712,000
Interest income	(94,000)	(100,000)
Interest cost	169,000	169,000
Total operating charge	830,000	781,000

Changes in the present value of defined benefit obligations

2021
£

At 1 September 2020	9,517,000
Current service cost	755,000
Interest cost	169,000
Employee contributions	97,000
Actuarial loss	2,266,000
Benefits paid	(39,000)
At 31 August 2021	12,765,000

Changes in the fair value of the Federation's share of scheme assets

2021
£

At 1 September 2020	5,348,000
Interest income	94,000
Actuarial (gain)/loss	1,124,000
Employer contributions	352,000
Employee contributions	97,000
Benefits paid	(39,000)
At 31 August 2021	6,976,000

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

21 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	-	-	27,596,140	27,596,140
Current assets	907,321	1,463,170	623,989	2,994,480
Creditors falling due within one year	(17,797)	(937,905)	-	(955,702)
Defined benefit pension liability	-	(5,789,000)	-	(5,789,000)
Total net assets	889,524	(5,263,735)	28,220,129	23,845,918

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	-	-	28,159,450	28,159,450
Current assets	931,346	569,815	46,448	1,547,609
Creditors falling due within one year	(33,441)	(524,110)	-	(557,551)
Defined benefit pension liability	-	(4,169,000)	-	(4,169,000)
Total net assets	897,905	(4,123,295)	28,205,898	24,980,508

22 Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2021 £	2020 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	7,410	(1,124,569)
Adjusted for:		
Capital grants from DfE and other capital income	(637,872)	(36,598)
Investment income receivable	(10,641)	(14,266)
Defined benefit pension costs less contributions payable	403,000	377,000
Defined benefit pension scheme finance cost	75,000	69,000
Depreciation of tangible fixed assets	743,612	745,983
(Increase)/decrease in debtors	(25,516)	128,105
Increase/(decrease) in creditors	398,151	(66,397)
Net cash provided by operating activities	953,144	78,258

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

23 Analysis of changes in net funds

	1 September 2020 £	Cash flows £	31 August 2021 £
Cash	1,383,646	1,421,893	2,805,539
Cash equivalents	57,281	(538)	56,743
	<u>1,440,927</u>	<u>1,421,355</u>	<u>2,862,282</u>

24 Related party transactions

Owing to the nature of the Federation's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Federation has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Federation's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account.

The Federation paid R&H Technical Services, a business in which the husband of N Ray, the Federation Chief Financial Officer, has an interest, £4,972 (2020 - £34,084) in respect of electrical contract services. The total amount relates to a number of different supplies and there was no individual contract for a series of supplies that exceeded £20,000.

Some of the Governors have children who are pupils at the Academy, consequently there will be transactions between those Governors and the Academy in respect of their children's education. These are on the same basis as other pupils at the Academy.

25 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.

No individual has a controlling interest in the charitable company.

RUTLAND AND DISTRICT SCHOOLS' FEDERATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

26 Teaching School account	2021		2020	
	£	£	£	£
Direct income				
Government grants		40,000		40,000
Other external funding		82,879		96,032
		<u>122,879</u>		<u>136,032</u>
Direct costs				
Direct staff costs	77,145		85,872	
Resources	-		780	
Office costs	-		141	
Placement school	42,296		26,047	
Travel costs	-		215	
Trainers	8,065		27,033	
Venue costs/lettings	-		3,833	
	<u>127,506</u>		<u>143,921</u>	
Total expenditure		(127,506)		(143,921)
Surplus/(deficit) from all sources		(4,627)		(7,889)
Teaching School balances at 1 September 2020		45,705		53,594
Teaching School balances at 31 August 2021		<u>41,078</u>		<u>45,705</u>