



Annual Report and Financial Statements

Year ended 31 August 2021

Company Registration Number: 07990619 (England and Wales)



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Reference and Administrative Details

Members	J Bennett M Wade D White
Trustees	J Bennett I Comfort resigned 5 October 2020 D Fergus J Field A Goultly Chief Executive and Accounting Officer S Harper A Hall Chair HA Headley appointed 7 June 2021 A Hunter M Hutton appointed 25 January 2021 P Jackson appointed 25 January 2021 J Kenneally appointed 25 January 2021 I Smyth R Walker appointed 25 January 2021 P Wheeliker
Company Secretary	A Marham appointed 28 September 2020
Senior Management Team	A Goultly Chief Executive and Accounting Officer L Bradley Principal – Rodillian Academy W Bush Principal – The Featherstone Academy (resigned 31 August 2021) D Hall Principal – The Featherstone Academy (1 September 2021) N Lawson Chief Financial Officer S Luffman Principal – BBG Academy A Moon Principal – Brayton Academy K Newby Principal – Southway (resigned 31 October 2020) A Percival Principal – Southway (appointed 1 November 2020)
Principal and Registered Office	The Featherstone Academy Pontefract Road Featherstone Pontefract West Yorkshire WF7 5AJ
Company Registration Number	07990619 (England and Wales)
Independent Auditors	Saffery Champness LLP Mitre House North Park Road Harrogate HG1 5RX

Bankers	Lloyds Bank Park Row Leeds Branch PO Box 1000 BX1 1LT
Solicitors	Browne Jacobson LLP Mowbray House Castle Meadow Road Nottingham NG2 1BJ

Trustees' Report

The trustees present their annual report together with the financial statements and auditor's reports of the group and 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.

The Trust operates three secondary academies in West Yorkshire and one in North Yorkshire. The Trust has a combined student capacity of 4385 and had a combined roll of 3658 in the school census on 7 October 2021.

Southway at the Rodillian Academy Ltd (Company Number: 08492483) ("Southway") is a subsidiary company of The Rodillian Multi Academy Trust ("the Trust"). Southway is registered as an Independent School (URN: 146633) and provides services to schools throughout Leeds and neighbouring local authorities.

COVID-19 has continued to impact the Trust during this year. In line with Government guidance, Trust academies reopened in September 2020 to all students with specific measures in place to provide a safe environment for learning to continue. On 5 January 2021 a national lockdown was announced and remote learning began for all students. A small provision was made available at all our academies for vulnerable students and students of key workers to continue to attend. Free School Meal vouchers were also provided during this lockdown period to those who were eligible. The national lockdown continued until 8 March 2021, when all schools were asked to reopen. Risk assessments were in place at every stage of the pandemic. The academies undertook the task of ensuring students participated in lateral flow testing on returning to their academy; home test kits were then available for twice weekly testing for the remainder of the academic year

GCSE and A Levels exams did not take place as they had done in previous years and the awarding of results was completed by Centre Assessed Grades. This was similar to the summer of 2020; although more direct guidance was provided by the examining boards and Ofqual.

The Trust has continued to improve its governance in the year including:

- the appointment of internal auditors and reviews undertaken in respect of Risk Management, Corporate Governance, Core Financial Controls, Payroll & Expenses, and IT.
- the updating of financial regulations, scheme of delegation and other policies that extend across the Trust
- the rolling out of a new payroll provider
- enhanced processes and procedures around procurement with the use of Procure to Pay enabling the electronic authorisation of procurement transactions.

The Trust has had a strong financial performance with a significant increase in the level of reserves and the number of students attending the Trust schools has continued to increase.

All amounts due to the funding body have been repaid in full and the financial notice to improve was lifted in September 2020.

Structure, Governance and Management

Constitution

The Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum of articles of association are the primary governing documents of the trust. The trustees of the Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as the Rodillian Multi Academy Trust and is sometimes referred to as RMAT.

The Trust is the parent company to Southway. The Trust is the sole shareholder of the company and sets the strategic direction for the subsidiary.

Details of the Trustees who served during the year and to the dates of these accounts are included in the Reference and Administrative Details on [page 2](#).

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.

Trustees' Indemnities

The Trust is a member of the Risk Protection Arrangement which is an alternative to insurance where UK government funds cover losses that arise. The cost of the line of cover is not separately available.

Method of Recruitment and Appointment or Election of Trustees

Trustees are appointed by the members of the Trust in accordance with the Articles of Association. They are appointed for four years and maybe reappointed. The Trust Board consists of fourteen Trustees as at 31 August 2021; an increase of four since 31 August 2020. Each Academy maintains a Local Review Board ("LRB") which is a sub-committee of the Trust Board. LRB members are appointed by the Trust Board on the recommendation of the Company Secretary, the Academy Principal and the Chair of the relevant LRB. All Trustees/LRB members are appointed based upon the contribution they can make to the development of the future success of the Trust. No remuneration for services, other than out of pocket expenses, is received.

The Trust has recruited through a variety of channels for new members of Trust Governance including the use of Academy Ambassadors and Governors for Schools. Southway is looking to recruit new Directors through a new recruitment channel known as Nurole. They may be used for further governance recruitment across the Trust in the future. The Company Secretary has responsibility to support recruitment as needed at all levels of Trust Governance.

Policies and Procedures Adopted for the Induction and Training of Trustees

In Spring 2021 a Governance Recruitment, Induction and Succession Planning Policy was approved by the Trust Board. In addition, Guidance on the Election of Parent and Staff Local Review Board Members was approved; it is anticipated these policies will support better recruitment at all levels of governance.

Trustee induction includes modules on an introduction to Academy Trust Governance, a background to Trust Governance structures, the context to Trust Governance Delivery, setting out as a Trustee, Developing as a Trustee and Sector updates. Similar induction modules tailored accordingly will also be offered to new members of the Trust, new LRB members and new Directors of Southway.

Organisational Structure

The organisational structure of the Trust is based on the following:

- The Members of the Trust have responsibility for ensuring the purpose of the Trust is met, determining the Trust's constitution and governance structure including the appointment and removal of Trustees.
- The Trust Board holds ultimate legal accountability for all aspects of operational delivery and is responsible for Trust policy and decision making. Trustees oversee the management and administration of the Trust and the academies run by the Trust. Strategic direction, vision and values and educational targets is reserved to the Trust Board.
- Trust Board committees deliver detailed scrutiny and can make delegated decisions/recommendations to the Trust Board. During the period of this report the following committees have operated:
 - Audit and Risk Committee;
 - Covid Task and Finish Group;
 - Finance and Resources Committee;
 - People, Pay and Performance Committee ("PPPC");
 - Standards Southway Committee;
 - Southway Task and Finish Group and
 - Standards Committee.
- The Executive Team consists of the senior leaders responsible for the operation of the Trust, supporting Academies with operational matters to meet the core object of the Trust, advance education for public benefit and achieve strategic targets set by the Trust Board. The Executive Team includes the Chief Executive who is also the Accounting Officer, Academy Principals, Chief Financial Officer and the Director of Human Resources.
- Academy Principals are responsible for all aspects of the day to day running of their Academy and operational delivery of Academy improvement plans.

- Local Review Boards monitor how their Academy is led and managed, they are the link between the Academy and its community and influence decision making. They have a direct link to the Trust Board to raise concerns.

Arrangement for setting pay and remuneration and key management personnel

Key management personnel of the Trust are the Trustees and Executive Team. Other than the Chief Executive who is a Trustee, Trustees do not receive any remuneration.

The Trust Board set the pay and remuneration of the Executive Team including the Chief Executive, following a recommendation by the PPPC. The Chair of the Trust Board and the Chair of the PPPC jointly agree the Chief Executive's key performance and development objectives for each academic year and how they will be measured. The Company Secretary and an independent external adviser support this process and input is sought from the Chairs of Trust Board Committees.

The Chief Executive provides a report to the PPPC on the performance management of the rest of the Executive Team. The Chief Executive consults with the Chair of the Trust Board and the Chair of the Standards Committee on the performance outcome of Academy Principals. They consult with the Chair of the Finance and Resources Committee and the Chair of the Audit and Risk Committee on the overall performance outcome of the Chief Financial Officer. They consult with the Chair of the PPPC on the overall performance outcome of the Human Resources Director. Key performance indicators for the Executive Team other than the Chief Executive are agreed between the Chief Executive and the PPPC.

Trade Union Facility Time

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, as the Trust has more than 49 full time equivalent employees through 7 months within the reporting period, it must include information included in Schedule 2 of the Regulations. Facility Time is the provision of paid or unpaid time off from an employee's normal role to undertake Trade union duties and activities as a Trade Union representative. There is a statutory entitlement to reasonable paid time off for undertaking union duties. There is no such entitlement to paid time off for undertaking activities. For the period 1 April 2020 to 31 March 2021, the Trust published the following information.

Relevant Union Officials

Number of employees who were relevant union officials during the relevant period	Full Time equivalent employee number
2	2

Percentage of time spend on facility time

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

Percentage of pay bill spent on facility time

Total cost of facility time	£1,675
Total pay bill	£14,609,269
Percentage of the total pay bill spent on facility time	0.01%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	0.00%
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Related Parties and other connected Charities and Organisations

Southway is a subsidiary company of the Trust providing alternative provision including educational and vocational opportunities to students at Key Stage 3 and Key Stage 4 who would otherwise be at risk of exclusion from mainstream education.

Rodillian Academy has a partnership with a connected Charity that is a local Specialist Inclusive Learning Centre known as Broomfield. They have the use of the facilities at the academy for the purposes of bringing together students on the rolls of Broomfield and the Academy in a way which maximises progress educationally, socially, physically and emotionally.

The Trust has worked with a connected Charity, Roundhay School and University Technical College (“UTC”) Leeds, during the period of this report, including a secondment of a member of staff to act as Principal to UTC Leeds.

The Trust has worked with a related party, Great Academies Education Trust (“GAET”), during the prior year, including a secondment of members of staff to GAET, see note 26.

Engagement with employees (including disabled persons)

Trustees recognise that Trust employees are fundamental to the delivery of the Trust vision. The Trust Strategic plan provides for the Trust to become an employer of choice for professionals joining in any setting through a guaranteed offer of high-quality ICT infrastructure, a well-disciplined learning environment, coaching for professional development and access to opportunities for career progression.

To progress the Trust Strategic Plan, a review of staff coaching plan has taken place and a restructure of the teaching staff is being implemented on a phased basis. Internal training programmes to develop leaders and provide for succession planning have been reviewed. The performance management process has been reviewed and decluttered. Teaching staff have been trusted and supported to develop their own pedagogy which is based on maintaining the highest standards of behaviour to allow teachers to teach.

Trustees have reviewed the professional offer including the minimum classroom expectations with the intention of the same being utilised for recruitment from September 2021.

The Trust considered effective engagement to be a key element in understanding how it can maximise the benefit to students and the wider community. During February 2021, a staff survey was undertaken to gain an understanding of how staff had felt during the COVID pandemic lockdown period and whilst they had been in their academies between September – December 2020. The results overall had been

particularly positive and staff had felt safe and supported throughout. A number of working groups continue to address any specific issues that are raised through these channels.

Communication channels meaningfully improved during the COVID pandemic to ensure all staff were aware of changing circumstances. All staff were kept abreast of updates and changes in national guidance. The Chair of the Trust, the Chief executive and Academy Principals were in regular communication to deliver clear messages to staff when appropriate, particularly around safety of staff and their category of need in order to be able to return. Individual risk assessments were established for staff who fell within an extremely vulnerable or vulnerable category to ensure needs were met.

A number of Trust Development Groups have been established, which include a number of staff from a wide selection across the Trust, to undertake a review of certain key areas. These are: Teaching and Learning; Progress and Attainment; PD, Attendance and Welfare (Support); and Curriculum and Experience. These allow colleagues to influence the development and growth of the Trust.

The Trust consults with trade unions through regular meetings with local representatives and open dialogue with regional officers. Meetings with local representatives are minuted and feedback is provided to the Trust Board, the Covid Task and Finish Group and the PPPC.

The Trust recognises its responsibilities under the Equality Act 2010 and includes equality considerations in its employment policies. It maintains a fair recruitment policy and seeks equal opportunities monitoring information when recruiting to measure diversity in the recruitment process and those it employs. The Trust ensures that staff with disabilities are supported with special provision to ensure that they may carry out their work effectively without barriers and where necessary undertakes reasonable adjustments to enable candidates and staff to fully access the workplace.

Engagement with suppliers, customers and others in a business relationship with the Trust

The Trust has a Procurement Manager who works with the Finance Team in order to ensure value for money and cost effectiveness on procurement. The Trust seeks to build strong relationships with suppliers and has a preferred supplier list.

During the COVID-19 pandemic the Trust has recognised it is important to pay suppliers in a timely manner and sometimes ahead of the required normal contractual obligations to support those suppliers.

Procure to Pay, a process of requisitioning, purchasing, receiving, paying for and accounting for goods and services, has been introduced over the year on a phased approach. The system ensures compliance and accountability as needed.

The Trust recognise the requirements of the Academy Trust Handbook to seek approval for entering into contractual arrangements with related parties and has disclosed relevant transactions in this report.

Objectives and Activities

Objects and Aims

The Trust is a not-for profit school trust. The objects of the Trust are to provide high quality educational experiences for every student in a Trust Academy, providing opportunities which transform life chances regardless of a student's starting point or background by providing private school opportunities within state funded academies.

Our aims are:

- to be consistently in the top tier nationally for student progress across all school trusts, striving to be the top performing trust, by 2023.
- to further develop an innovative curriculum model incorporating resilience skills across an enhanced learning offer for students and staff, building on emerging approaches developed through deeper understanding of remote learning opportunities.
- to further improve financial efficiency and effectiveness demonstrating strong financial controls, high performance against school trusts of a similar size, and adherence to a reserves policy.
- to facilitate a comprehensive capital infrastructure development programme funded through the Trust and central grants which secures both maintenance and enhancement with a focus on equality of access by staff and students to excellent ICT and other facilities which support outstanding teaching and learning.
- to establish the Trust as the employer of choice for professionals joining in any setting through a guaranteed offer of high-quality ICT infrastructure, a well-disciplined learning environment, coaching for professional development and access to opportunities for career progression.
- to develop and define the distinctiveness of the Trust's offer as a potential partner of choice for other institutions through modelling outstanding curricular content and pathways, clear behaviour policies, the professional guarantee (outlined above) and strong assurance frameworks for good governance.

Objectives, Strategies and Activities

Against the background of the Covid 19 Pandemic and its continuing impact on Education in all settings, the Trust agreed a new strategic plan to further its objects and aims outlined above. With regards to student progress, the Trust has put in place a Covid catch up plan which will continue to be implemented in the 2021-2022 Academic Year and has implemented new modes of delivery of the Trust's innovative curriculum to ensure progress of the curriculum both in Trust Academies and remotely at home.

The Trust has implemented Curriculum led financial plans in all academies which are supported by monthly account review meetings between Academy Principals, the Chief Financial Officer and the Director of HR and the Chief Executive. This financial efficiency is supported by the wider finance team ensuring compliance and probity. A review of teaching and support staff has also taken place and will be

implemented in the 2021-2022 Academic Year. All this work has improved the financial efficiency of the Trust.

The Trust has reviewed its internal training programmes as part of its drive to further develop Academy leaders and provide for internal succession planning in the Trust to further its aim to be an employer of choice. As part of this, the Trust has an appetite for growth and is looking to recruit staff to support this.

Public Benefit

In setting our objectives and planning our activities the Trustees have carefully considered the Charity Commission's general guidance on public benefit and its supplementary guidance on advancing education.

The main public benefit delivered by the Trust is the provision of a high quality education to students in Trust Academies.

Strategic Report

Achievements and Performance

Due to the continued effect of the COVID-19 pandemic and the cancellation of examinations in Summer 2021, performance tables have not been produced as grades were teacher assessed. At GCSE across the Trust 77% of students achieved a grade 4 or above in English and Maths and 55% of students achieved a grade 5 or above in English and Maths. This gave an overall Progress 8 score in these subjects of 1.23. This compares favourably against national norms and this is highlighted in the positive Progress 8 score. The Trust has embraced remote learning and during 2021 all students had access to remote learning during lockdowns and when they were forced to self-isolate. This has meant that the gaps in their knowledge are not as substantial as many other schools. Behaviour has been a particular strength during 2021, the positive discipline system has facilitated high quality learning environments in the most challenging of circumstances. Attendance has been strong across the Trust and compares favourably with national.

The Trust has had a strong financial performance. BBG Academy and the Rodillian Academy operate to capacity for the number of students they take and Brayton Academy has growing student numbers. This has led to the Education and Skills Funding Agency ("ESFA") agreeing to provide in-year funding for Brayton Academy for the next 3 years.

The Trust has formed a capital working party which with the agreement of the Finance and Resources Committee has agreed £500,000 spending on ICT and premises improvement work in 2021/22.

In terms of Governance, the Trust has strengthened its contract authorisation procedure and updated its financial scheme of delegation. The Trust's recruitment policy has been strengthened to ensure compliance with the financial scheme of delegation and Trust finance regulations with the process becoming more transparent. The Trust has also instigated an Anti-fraud, bribery and corruption policy and strategy, refined its Expenses, Gifts and Hospitality policy and updated its whistleblowing policy.

Trustees have been recruited to broaden the skills base of the Trust Board allowing greater challenge to the Executive Team.

Response to the COVID-19 Pandemic

The COVID Task and Finish Group has continued to meet on a regular basis to support the Executive team with making timely decisions. The COVID Task and Finish Group have:

- reviewed and updated policies and risk assessments to ensure they are appropriate for the changing circumstances;
- received reports on the risk associated with different staff groups including those who are clinically extremely vulnerable, pregnant, ethnic groups and by age profile;
- monitored the provision and adequacy of Personal Protective Equipment;
- monitored absences of staff and students;
- reviewed the steps being taken to mitigate loss of learning and the equal distribution of devices to support students;
- ensured that free school meals were provided to those eligible;
- assessed the impact on staffing resources including the agreement to recruit additional cover supervisors;
- monitored the additional expenditure due to COVID;
- monitoring the plans around COVID Catch up and associated funding.

Key Performance Indicators

Our major key performance indicator (KPI) is examination results. Though using teacher assessed grades for the last two years compromises the robust nature of the indicator, a five-year average puts the Trust well above average for both Progress 8 and Attainment 8.

A second KPI for us is Ofsted reports. We only had one Ofsted visit during 2020/2021, a successful monitoring visit at Southway, which acknowledged progress made since the last visit.

A third KPI is on student recruitment. Both Rodillian Academy and BBG Academy continue to be significantly oversubscribed; student numbers at Brayton Academy are rising rapidly, from an intake of 83 in 2017 to 193 in 2021; the Featherstone Academy has increased in the same period from 52 to 96.

Finally, student attendance is another KPI for the Trust. Historically, national attendance data has been released three times a year which would allow us routinely to compare our Trust academies performance. Since 23 March 2020, and throughout the Pandemic, national data has not been produced in the same way to allow us to compare like for like. Where we can make a comparison is in stand-alone days. All our Academies compare favourably against the National data, out-performing on every date when national data has been produced.

Going Concern

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

Promoting the success of the company

The Trustees have promoted the success of the Trust to achieve its charitable goals, for the benefit of its student, staff and communities it serves as a whole and in doing so have given regard to:

- The likely consequences of any decisions in the long term. The Trust Strategic Plan aims to improve the long term educational, operational and financial performance of the Trust.
- The interest of the Company's employees. See the section on engagement with Trust employees above and the aims of the Trust strategic plan.
- The need to foster the Company's business relationships with suppliers, customers and others. See the section on engagement with suppliers, customers and others in a business relationship with the Trust above.
- The impact of the Company's operations on the community. Rodillian Academy has piloted a scheme working with its own Counsellor and Family Support Worker to enhance the offer available to not just Rodillian Academy students, but students from the feeder schools. We are currently planning for a Multi-Agency Team to work within all our academy communities to provide educational psychologists, social care and counselling services. The newly launched Aspire curriculum is bespoke to each community and is framed to meet the needs of the students within their community context.
- The impact of the Company's operations on the environment. See section on Streamlined Energy and Carbon Reporting.
- The desirability of the company maintaining a reputation for high standards of business conduct. See the comments on Governance in achievements and performance above.
- The need to act fairly as between members of the company. The Trust Board meets with members on a formal basis twice a year and members along with employees and LRB members are updated after each Trust Board meeting on decisions made by the Trust Board.

Financial Review

The majority of the Trust's income is received from the ESFA in the form of grants, the use of which is restricted in accordance with the Articles of Association and the funding agreement with the ESFA. Grants received in the year to 31 August 2021 and associated expenditure are shown in the Restricted General Funds column in the Statement of Financial Activities. The General Annual Grant has increased by £1,743k to £18,466k. This increase is due to increased funding per pupil but is mainly due to increased pupil numbers. The pupil numbers at Brayton Academy have grown by over 20% and are expected to continue to grow at similar levels. The Trust applied for additional funding to support this growth and the ESFA confirmed in May 2020 that an in-year funding adjustment of £466k would be made for 2020/21. Further funding could be made available in future years if the level of growth was sustained.

Other DfE/ESFA grants includes funding for pupil premium (£724k), rates and financial support for the increase in teachers' pay and pensions (£927k).

The Trust receives funding from local authorities each year to support students with EHCPs and looked-after children. Local authority grant funding has increased due to additional funding to provide free school meals to pupils over the school holidays.

The Trust's subsidiary company, Southway at the Rodillian Academy Limited, runs an independent school and its income is shown as AIP funding. This income has been affected by reduced pupils attending due to the lockdown.

During the year, the Trust has received £566k in COVID related grants from the DfE/ESFA. This included £274k of COVID catch-up premium of which £235k is carried forward to be spent in 2021/22. The Trust received £32k from the Coronavirus Job Retention Scheme for Southway. Southway's income was adversely affected by schools not sending pupils there during and after lockdown.

The Trust also received £1,069k of capital grants, primarily Condition Improvement Fund grants. The Trust was successful in its bid for CIF funding to renew the heating systems at BBG Academy and The Featherstone Academy.

During the year ended 31 August 2021, the net movement on funds was £1,976k.

The Consolidated Balance Sheet shows that the Academy Trust's reserves, the General Fund and the Unrestricted Income Funds, have increased from £1,751k in August 2020 to £3,661k at August 2021. This increase in reserves puts the Trust in a good financial position and is due to:

- Increased General Annual Grant income
- In-year funding at Brayton Academy
- Additional COVID-19 funding

The Trust set a budget that would increase the level of reserves by £900k in line with its five year plan. The level of expenditure has increased but not to the same extent that the income has. This was due to:

- Restricting or delaying staff recruitment during lockdown
- Lower supply staff costs
- The in-year funding at Brayton was advised in May 2021 so there was little time to recruit additional staff or spend the funds before the year end
- Lower operational costs due to the lockdown offset by additional costs to support remote learning
- The contingency included within the budget was not required.

The Consolidated Balance Sheet shows that the net current assets of the Trust have increased to over £4m. This is due to:

- An increase in the bank balance
- An increase in debtors, resulting from a reduction in trade debtors and an increase in accrued income being CIF funds due from the ESFA
- A reduction in creditors, resulting from the repayment of the amounts owed to the ESFA which was offset by an increase in trade creditors and accruals

The Trust was issued with a Financial Notice to Improve in February 2018. This notice was updated in September 2019 due to concerns about weak financial governance and management of the Trust. Since February 2018 the Trust has:

- strengthened governance by making new governance appointments
- increased the number of trustees to 14 addressing skills gaps
- ensured that there is significant separation between members and trustees
- demonstrated that a robust internal audit programme is in place
- undertook a review of curriculum led financial planning
- delivered economies such that the Trust is now in surplus
- implemented the recommendations made in the July 2019 governance review
- produced and adhered to a revised and accurate 5-year recovery plan

The ESFA confirmed that they were satisfied that the conditions had been met and lifted the Financial Notice to Improve in September 2020.

Reserves Policy

Trustees previously set a three-year budget with the intention to increase unrestricted and restricted general reserves to £3 Million by August 2022. The Trust has achieved this in the current financial year, the balance on restricted general funds (excluding pension reserves) plus the balance on unrestricted funds at 31 August 2021 is £3,661k. The Trust believes this is sufficient to maintain the financial stability of the Trust and allow the Trust to have sufficient working capital to allow the Trust to operate effectively whilst allowing for sufficient contingency funds to meet unforeseen issues. This level of reserves allows the Trust to invest in its strategic objectives in the near future.

The total funds held at 31 August 2021 are £28,854k, funds not available for the general purposes of the academy trust include a restricted fixed asset reserve of £36,531 and a pension scheme liability of £11,338k. A surplus or deficit of the pension scheme would generally result in a cash flow effect for the academy trust in the form of an increase or decrease in employers' pension contributions over a period of year.

Investment Policy

Given the low rate of interest available on low risk investments, the Trust has not made any investments in this reporting period. This policy is under review by the Finance and Resources Committee of the Trust Board and any investment in the future would only be made in line with the financial scheme of delegation and where necessary with ESFA approval and Finance and Resources Committee approval. If the Trust did choose to make a new investment, then a return on working capital would be optimized whilst allowing easy access to the funds. In balancing risk against return, the policy of the Trust will be clearly geared to avoiding risk rather than to maximising return.

The Trust operates interest bearing current accounts with a bank approved by the Trust Board and maintains a balance in those accounts that is sufficient to cover immediate payroll costs.

The investment of the Trust in Southway is valued at cost.

Principal Risks and Uncertainties

The Trust maintains a central board assurance framework and risk register which identifies Trust strategic risks and operational risks. The Trust looks to control and mitigate risks when they have been identified.

During the last academic year, the Audit and Risk Committee has agreed to the removal of risks around negative publicity about the Trust and external pressures to the Trust as they were seen as no longer

relevant. The increased use of ransomware attacks on trusts has been recognised and the Trust has considered how to step up defences to such an attack and how to mitigate the effect of an attack if one is made against it.

Trust strategic risks include: -

- Reduction in the level of progress so outcomes are not above average.
- Increase in staff turnover due to lack of opportunity in the Trust.
- Succession planning.
- Retention of Trustees affects the effectiveness of the Trust Board.
- Need for expenditure on ICT and premises.
- Liability of Southway to the Trust including governance.
- Growth strategy

The Trust Board is satisfied that the major risks have been identified and can be adequately managed or mitigated. The Audit and Risk Committee has engaged Haines Watts as its internal auditors to ensure the maintenance of compliance. An internal audit plan was agreed and work has been undertaken in 2020-2021.

Fundraising

The Trust does not actively raise funds from the public. In the period 1 September 2020 to 31 August 2021 the Trust received donations of £2,287.

Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for the period		1 September 2020 to 31 August 2021	1 September 2019 to 31 August 2020
Energy consumption used to calculate emissions (kWh)		5,933,215	4,967,396
Scope 1	Emissions in metric tonnes CO ₂ e		
	• Gas	691.49	568.14
	• Owned transport – mini buses	2.24	10.65
	Total Scope 1	693.73	578.79
Scope 2	Emissions in metric tonnes CO ₂ e		
	• Purchased electricity	454.30	426.98
Scope 3	Emissions in metric tonnes CO ₂ e		
	• Business travel in employee owned vehicle	4.42	11.1
	Total gross emissions in metric tonnes CO ₂ e	1152.45	1,016.88
	Intensity ratio: Tonnes CO ₂ e per pupil	0.32	0.30
	Number of students per census:	3589	3422

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2021 UK Government’s Conversion Factors for Company Reporting.

Intensity measurement

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

Measures taken to improve energy efficiency

The following information demonstrates the measures taken across the Trust to improve energy efficiency:

BBG Academy

- New heating pipework installed in 1958 block. System is a modern controllable energy efficient system which reduces on-going maintenance costs and will reduce future costs due to annual leaks to old system when activated in autumn/early winter.
- The Main Building is now heated with adequate emitters and provides a better learning environment.
- New heat emitters incorporate local thermostatic controls and zoned to deliver greater efficiency.
- All new insulated pipework installed with new surface level distribution for heating.

The Featherstone Academy

- New heating/hot water system installed with modern controllable energy efficient system. This will reduce on-going maintenance costs and will reduce future costs.
- The Main Building is now heated with adequate emitters and provides a better learning environment.
- Removal of asbestos to plant room and emitters removing all future risk associated with contamination.
- Removal of risk and cost associated with supplementary electric heating being used in the school.
- Removal of risk of total failure of the existing heating system which could result in academy closure.
- New gas-fired plant room boilers which are energy efficient, incorporate redundancy and are controlled by an associated modern system.
- New heat emitters incorporating local thermostatic controls and zoned to deliver greater efficiency.
- All new insulated pipework with new surface level distribution for heating and hot water & addressing legionella risk.

Salix Grant funding

Academies to undergo lighting surveys with a view to creating a bid package for the Trust.

Salix Grants are a method of funding for lighting and switching upgrades, from the Government for energy consumption reduction.

This will enable our Academies to upgrade any required areas of inadequate lighting to modern LED fittings.

The surveys will focus on internal lighting, car park lighting and external building lighting.

Waste Management

Review of Waste Collection contracts across MAT to ensure all Academies provide recycling collections for Dry Mixed Recycling as a minimum. Rodillian Academy to introduce plastic bottle recycling containers in quad and other recycling solutions to be considered trust wide.

Plans for Future Periods

The Trust will seek to achieve its aims by 2023 by implementing its strategic priorities and measuring itself against its Key performance indicators in the following areas:

- **Student Progress**

To be consistently in the top tier nationally for student progress across all school trusts, striving to be the top performing Trust, by 2023.

- **Innovative Curriculum**

To further develop an innovative curriculum model incorporating resilience skills across an enhanced learning offer for students and staff, building on emerging approaches developed through deeper understanding of remote learning opportunities.

- **Financial Efficiency**

To further improve financial efficiency and effectiveness demonstrating strong financial controls, high performance against school trusts of a similar size, and adherence to a reserves policy.

- **Capital Infrastructure**

To facilitate a comprehensive capital infrastructure development programme funded through the Trust and central grants which secures both maintenance and enhancement with a focus on equality of access by staff and students to excellent ICT and other facilities which support outstanding teaching and learning.

- **Being an Employer of choice**

To establish the Trust as the employer of choice for professionals joining in any setting through a guaranteed offer of high-quality ICT infrastructure, a well-disciplined learning environment, coaching for professional development and access to opportunities for career progression.

- **Being a Partner of choice**

To develop and define the distinctiveness of the Trust's offer as a potential partner of choice for other institutions through modelling outstanding curricular content and pathways, clear behaviour policies, the professional guarantee (outlined above) and strong assurance frameworks for good governance.

Funds held as Custodian Trustee on Behalf of Others

The Trust holds no funds on behalf of others.

Auditor

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware
- 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.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 13 December 2021 and signed on the board's behalf by:



Annette Hall
Chair of Trustees
13 December 2021

Governance Statement

Scope of Responsibility

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

As Trustees, we have reviewed and taken account of the guidance in the Department for Education Governance Handbook and competency framework for governance.

The board of Trustees has delegated day-to-day responsibility to the Chief Executive 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 the Rodillian Multi Academy Trust 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 6 times during the year. Attendance during the year at meeting of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
A Hall (Chair)	6	6
J Bennett	5	6
I Comfort (resigned 5 October 2020)	0	1
D Fergus	6	6
J Field	6	6
A Goulty	6	6
S Harper	6	6
HA Headley (appointed 7 June 2021)	1	1
A Hunter	2	6
M Hutton (appointed 25 January 2021)	2	3
P Jackson (appointed 25 January 2021)	3	3
J Kenneally (appointed 25 January 2021)	3	3
I Smyth	6	6
R Walker (appointed 25 January 2021)	3	3
P Wheeliker	6	6

4 new Trustees have been appointed to the Trust Board during this year with skills in Human Resources, Health and Safety, Risk Management and Finance and 1 Trustee resigned. Ashley Hunter's absence from Trust Board meetings and Committee meetings was due to illness.

The Trust Board has monitored the Trust's safeguarding arrangements, received the results of a pay review of the Executive team, reviewed the Trust's capital plans, received regular financial reports, monitored the Trust's Board assurance framework and risk register, received regular updates from the Chief Executive, approved the Trust strategic plan, implemented a financial management action plan,

approved business continuity plans for each Academy and Southway, increased the number of IT support staff and approved a new support staff structure.

The Trust Board believes it has performed well and has become more effective during the course of 2020 to 2021, despite the continuing challenges of Covid 19 to the Trust. The Board is receiving better financial and academic data which allows it to make more informed decisions than historically has been possible.

Governance reviews

Following the external review of governance which took place in 2019-2020, the Trust has implemented a financial management action plan which took account of the work previously undertaken by Browne Jacobson and the Confederation of School Trusts. The action plan was also added to by the results of the 2019-2020 external audit of the Trust. The impact of these reviews has improved the Governance structure of the Trust. In 2021-2022, the Trust's internal auditors will review Governance as part of the internal audit plan before a further external review takes place in 2023.

Audit and Risk Committee

The Audit and Risk Committee is a committee of the main board of trustees. Its purpose is to support the Trust in its responsibilities for ensuring the highest standards of Governance in relation to all audit and risk related activities within the Trust by maintaining an oversight of the Trust's financial, governance, risk management and internal control systems. It reports the findings of the committee annually to the Trust Board and the Chief Executive as Accounting Officer as a critical element of the Trust's annual reporting requirements. It also provides its committee minutes termly to the Trust Board and the Chief Executive as Accounting Officer.

During 2020-2021, the Committee approved the previous annual report and financial statements and reviewed the previous audit closing report. It reviewed the support available to the finance director and the centralization of budgets for IT and Premises. It monitored the Trust risk register and considered the effect of Covid on the Trust premises. The Committee provided its view on the external auditors to the Trust Board and reviewed the internal audit strategy and approved the financial regulations for the Trust. It supervised and contributed to tender processes for external audit and legal services and monitored the increased risk to cyber security.

Paul Jackson and Rob Walker joined the committee. They both have a background in risk management. Attendance at meetings were as follows:

Trustee	Meetings attended	Out of a possible
S Harper (Committee Chair)	6	6
D Fergus	5	6
A Goulty (Attending as Accounting Officer, not a member of the Committee)	5	6
A Hall	5	6
P Jackson	2	2
R Walker	2	2

Covid Task and Finish Group

The Covid Task and Finish Group is a committee of the main board of Trustees. Its purpose is to provide board attention to the Covid pandemic by providing agile strategic support and decision making to the

Executive Team by monitoring the impact of Covid 19 on the Academies within the Trust, set the strategic direction for Academies when they returned to full opening and develop the key lines of inquiry in relation to student outcomes.

During 2020-2021, the committee considered additional funding which was open to the Trust, monitored academy cleaning, the effect of Covid on Positive Discipline, approved risk assessments, monitored staff and student attendance, amended policies, noted the preparations of the Trust ICT infrastructure for lockdowns, received reports on students attending in person and on remote learning during lockdowns, considered the effect on clinically vulnerable and clinically extremely vulnerable students and staff, monitored initial Covid catch up funding, noted the impact of testing on the return to Academies, considered staff surveys, reviewed mask wearing, cleanliness spot checks and Covid budgeting and monitored cases in areas local to each Academy.

Attendance at meetings was as follows:

Trustee	Meetings attended	Out of a possible
A Hunter (Committee Chair)	4	8
J Field	6	8
A Goulty	8	8
A Hall	7	8
P Wheeliker	7	8

Finance & Resources Committee

The Finance & Resources Committee is a committee of the main board of Trustees. Its purpose is to support the Trust in its responsibilities for ensuring the highest standards of Governance in relation to financial management, the effective use of resources and health & safety.

During 2020-2021, the Committee considered with the Southway Task and Finish Group and the PPPC, advice received on Southway, the Department for Education attitude to Southway, the financial support offered by Leeds City Council to Southway, the viability of Southway, the recruitment process for leadership of Southway.

During 2020-2021 the Committee considered with the PPPC, the costs modelling of the staff structure review, the benchmarking of the staff structure, the recruitment of cover supervisors and the support staff review.

During 2020-2021 the Committee considered with the Audit & Risk Committee the 2019-2020 annual report and financial statements, the audit closing report

During 2020-2021 the Committee considered the financial scheme of delegation, the recharging of central services, pupil premium funding, capital plans, procurement planning, contract renewals, management accounts, ICT spending, Rothwell cluster funding, premises plans, student numbers, health and safety, reserves and procurement policies.

Martin Hutton, a Construction Health & Safety Manager and Jason Kenneally, an accountant specialising in financial due diligence joined the committee.

Attendance at meetings was as follows:

Trustee	Meetings attended	Out of a possible
I Smyth (Committee Chair)	6	7
A Hall	7	7
J Field	7	7
A Goulty	7	7
M Hutton	0	1
J Kenneally	1	1

People, Pay and Performance Committee (“PPPC”)

The PPPC is a committee of the main board of Trustees. Its purpose is to support the Trust in its responsibilities for ensuring the highest standards of Governance in relation to all people related processes within the Trust including Performance Management and Remuneration.

During 2020-2021 the Committee with the Southway Task and Finish Group and the Finance & Resources committee, considered advice received on Southway, the Department for Education attitude to Southway, the financial support offered by Leeds City Council to Southway, the viability of Southway and the recruitment process for leadership of Southway.

During 2020-2021 the Committee considered with the Finance & Resources committee, the costs modelling of the staff structure review, the benchmarking of the staff structure, the recruitment of cover supervisors and the support staff review.

During 2020-2021 the Committee considered the potential liabilities to the Trust presented by Southway, the support staff organisational review, staffing updates, the pay policy, performance management, staff morale and wellbeing, people related key performance indicators, senior management succession planning, people related policies, furloughing of Southway employees, staff surveys, recruitment of additional IT staff, severance payments, implementation of the teaching staff structure, business cases for pay increases, gender pay gap report and recruitment.

Halie Ann Headley who has a background in HR joined the committee.

Attendance at meetings was as follows:

Trustee	Meetings attended	Out of a possible
P Wheeliker (Committee Chair)	8	8
A Goulty	8	8
A Hall (Chair)	8	8
HA Headley (appointed 7 June 2021)	1	1

Standards Committee

The Standards Committee is a committee of the main Trust Board. Its purpose is to support the Trust in its responsibilities for ensuring strong educational outcomes for students within the Trust.

During 2020-2021, the Committee considered the Southway working group, CPOMS at Southway, Southway leadership and governance arrangements, screening and baseline assessments, Black lives matter curriculum, academy targets and performance, academy leadership and outcomes, attendance,

Special Educational Needs and Disabilities (“SEND”) action plan, qualification of SEND Co-ordinators (“SENDCO’s”), Key Stage 3, 2020 Centre Assessed grades, Rodillian Academy Sixth form, Covid catch up funding, Gaps in Education caused by Covid, Contextual curriculum, Fischer Family Trust data, SEND External review, Post Covid recovery pan and Covid catch up funding, feedback on remote learning, online and in person attendance during Covid, Behaviour, 2021 Exam cycle, Stakeholder engagement, Students moving into home education protocols, alternative provision, Personal Social, Health and Economic curriculum, Continuing Professional Development, Exclusions, Access policies, Transition plans, Research Action Projects, parents experience of remote learning, positive discipline, anti-bullying and the marking and feedback policy.

Attendance at meetings was as follows:

Trustee	Meetings attended	Out of a possible
J Bennett (Committee Chair)	5	5
A Goulty	5	5
A Hall	5	5
A Hunter	2	5

Standards Southway Committee

The Standards Southway Committee was a committee of the main Trust Board. Its purpose was to provide Trust Board oversight, challenge and support of Southway’s plans, targets, attainment, budgets, community and stakeholder engagement whilst Southway Governance by its Board of Directors was developed. It met jointly with Southway’s Board of Directors.

During 2020-2021, the Committee considered oversight of Southway including behaviour, admissions, staff welfare, attendance, safeguarding, remote education, monitoring visits, a plan following an Ofsted inspection, the effect of Covid, Interventions, Teaching Groups, Progress data, continuing professional development, SEND, the effect of gang culture on Southway, referral of students to Southway, timetabling, curriculum, extra-curricular activities, marking and feedback policy, premises, consultant visit on independent school standards and staffing.

It is hoped that there will shortly be further recruitment to the Southway Board of Directors which will negate the need for the committee to meet in 2021-2022.

Attendance at meetings was as follows:

Trustee	Meetings attended	Out of a possible
J Bennett (Committee Chair and a Director of Southway)	4	4
A Hall	4	4
A Hunter	1	4

Andy Goulty also attended the first meeting of the Committee in his role as Chief Executive and not as a member of the Committee. Neville Lawson as a Director of Southway attended 3 out of 4 of the committee meetings.

Southway Task and Finish Group

The Southway Task and Finish Group was a committee of the main Trust Board. Its purpose was to consider the future of Southway. Its functions were taken back to the Trust Board and the Standards Southway Committee.

During 2020-2021 the Committee with the Finance & Resources committee and the PPPC, considered advice received on Southway, the Department for Education attitude to Southway, the financial support offered by Leeds City Council to Southway, the viability of Southway and the recruitment process for leadership of Southway.

Trustee	Meetings attended	Out of a possible
J Bennett (Chair)	1	1
I Comfort (resigned 5 October 2020)	0	1
A Hunter	1	1

Review of Value for Money

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

The accounting officer considers how Trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data or by using a framework where appropriate. The accounting officer for the Trust has delivered improved value for money during the year by:

- Continuing to utilise Curriculum Led Financial Planning to assess teaching requirements and determine the most appropriate curriculum for each Academy within the Trust.
- Implemented a new teaching staff structure in each Academy.
- Reviewed its support staff structure to ensure it is sufficient and efficient for the current size of the Trust and for the near future to ensure equity and consistency of roles including pay grades across the academies depending on their size – small, medium and large. To compliment this, a review of the pay grades, which currently align to the National Joint Committee (NJC) pay scales for support staff, was undertaken and a proposal that there is a move to pay grades with a with 5-point scale from September 2022.

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 academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Trust for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust'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 financial statements. This process is regularly reviewed by the Board of Trustees.

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees
- regular reviews by the finance and general purposes 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
- identification and management of risks.

The Board of Trustees has appointed Haines Watts as the Trust's internal auditor. The internal auditor's role includes giving advice on financial and other matters and performing a range of checks on the Trust's financial and other systems. In particular, the checks carried out in the current period included:

- Core financial controls in respect of procurement
- Payroll and Expenses
- Risk Management

On completion of a report, the auditor reports to the board of Trustees through the Audit and Risk Committee on the operation of the systems of control and on the discharge of the board of Trustees financial responsibilities and will annually prepare an annual summary report to the Committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The reviews that have been undertaken have provided recommendations to the Trust for where it could strengthen its systems and internal controls which have been implemented throughout the year. Further reviews will continue into 2021-2022 to help identify any other areas in which the Trust may be able to implement an improved control environment.

Review of Effectiveness

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

- the work of the internal auditor
- the work of the external auditor
- the school resource management self-assessment tool and

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

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Audit and Risk committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 13 December 2021 and signed on its behalf by:



Annette Hall
Chair of the Board of Trustees



Andy Goulty
Accounting Officer

Statement of Regularity, Propriety and Compliance

As accounting officer of the Rodillian Multi Academy Trust I have considered my responsibility to notify the board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Trust, under the funding agreement in place between the Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the board of Trustees are able to identify any material irregular or improper use of all funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academies Financial Handbook 2020.

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.



Andy Goulty
Accounting Officer
13 December 2021

Statement of Trustees' Responsibilities

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

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

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of Trustees on 13 December 2021 and signed on its behalf by:



Annette Hall

Chair of the Board of Trustees

Independent Auditor's Report on the Financial Statements to the Members of the Rodillian Multi Academy Trust

Opinion

We have audited the financial statements of The Rodillian Multi Academy Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2021 which comprise the Consolidated Statement of Financial Activities, Consolidated and Academy Trust's Balance Sheets, Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

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' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report and the 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 group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report and Strategic Report.

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 28, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the

preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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

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

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sector in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales and guidance issued by the Education and Skills Funding Agency.

Audit response to risks identified

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities, including the Education and Skills Funding Agency and the Department for Education to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

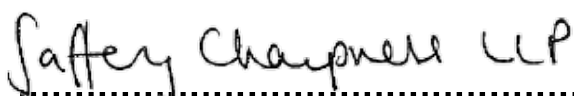
During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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 parent 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 parent 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 parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



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Sally Appleton (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

Chartered Accountants
Statutory Auditors
Mitre House
North Park Road
Harrogate
North Yorkshire
HG1 5RX

Date: 20/12/21

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Independent Reporting Accountant's Assurance Report on Regularity to The Rodillian Multi Academy Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 13 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 The Rodillian Multi Academy Trust 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 The Rodillian Multi Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Rodillian Multi Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Rodillian Multi Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Rodillian Multi Academy Trust's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of The Rodillian Multi Academy Trust's funding agreement with the Secretary of State for Education dated 1 September 2011 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.

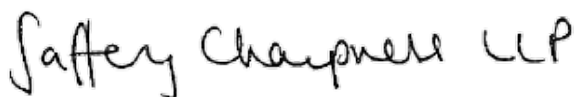
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy trust's income and expenditure.

The work undertaken to draw our conclusion includes:

- an assessment of the risk of material irregularity and impropriety across the Academy Trust's activities;
- evaluation of the processes and controls established and maintained in respect of regularity, propriety and compliance of the use of public funds through observation and testing of the arrangements in place and enquiry of the Accounting Officer;
- consideration and corroboration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance; and
- limited testing on a sample basis of income and expenditure for the areas identified as high risk.

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.



.....

Sally Appleton

Reporting accountant
For and on behalf of

Saffery Champness LLP
Chartered Accountants
Statutory Auditors
Mitre House
North Park Road
Harrogate
North Yorkshire
HG1 5RX
Date: 20/12/21

Consolidated Statement of Financial Activities for the year ended 31 August 2021

(including Income and Expenditure Account)

	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2021 £000	Total 2020 £000
Income and endowments from:						
Donations and capital grants	2	-	2	1,069	1,071	1,943
Charitable activities:						
Funding for the Academy Trust's educational operations	3	1,659	21,389	-	23,048	21,092
Other trading activities	4	195	-	-	195	553
Investments	5	-	-	-	-	1
Total		1,854	21,391	1,069	24,314	23,589
Expenditure on:						
Raising funds	6	182	-	-	182	501
Charitable activities:						
Academy Trust educational operations	7	1,691	19,681	1,149	22,521	21,011
Total		1,873	19,681	1,149	22,703	21,512
Net income / (expenditure)		(19)	1,710	(80)	1,611	2,077
Transfer between funds	17	-	(857)	857	-	-
Other recognised losses:						
Actuarial gain/(losses) on defined benefit pension schemes	17,26	-	365	-	365	(4,929)
Net movement in funds		(19)	1,218	777	1,976	(2,852)
Reconciliation of funds						
Total funds brought forward		749	(9,625)	35,754	26,878	29,730
Total funds carried forward		730	(8,407)	36,531	28,854	26,878

Consolidated Balance Sheet as at 31 August 2021

Company Number 07990619

	Notes	2021 £000	2021 £000	2020 £000	2020 £000
Fixed assets					
Tangible assets	11		36,174		35,588
Current assets					
Debtors	13	2,100		1,560	
Cash at bank and in hand		4,467		3,125	
		<u>6,567</u>		<u>4,685</u>	
Liabilities					
Creditors: Amounts falling due within one year	14	<u>(2,549)</u>		<u>(2,768)</u>	
Net current assets			<u>4,018</u>		<u>1,917</u>
Total assets less current liabilities			40,192		37,505
Creditors: Amounts falling due after more than one year			-		-
Net assets excluding pension liability			<u>40,192</u>		<u>37,505</u>
Defined benefit pension scheme liability	25		<u>(11,338)</u>		<u>(10,627)</u>
Total net assets			<u>28,854</u>		<u>26,878</u>
Funds of the Academy Trust:					
Restricted funds					
. Fixed asset fund	16	36,531		35,754	
. General fund	16	2,931		1,002	
. Pension reserve	16	<u>(11,338)</u>		<u>(10,627)</u>	
Total restricted funds			28,124		26,129
Unrestricted income funds	16		<u>730</u>		<u>749</u>
Total funds			<u>28,854</u>		<u>26,878</u>

The financial statements on pages 35 to 65 were approved by the Trustees and authorised for issue on 13 December 2021 and are signed on their behalf by



Annette Hall
Chair of Trustees

Academy Trust Balance Sheet as at 31 August 2021

Company Number 07990619

	Notes	2021 £000	2021 £000	2020 £000	2020 £000
Fixed assets					
Tangible assets	11		36,107		35,547
Current assets					
Debtors	13	1,968		1,460	
Cash at bank and in hand		<u>3,721</u>		<u>2,365</u>	
		5,689		3,825	
Liabilities					
Creditors: Amounts falling due within one year	14	<u>(2,428)</u>		<u>(2,616)</u>	
Net current assets			<u>3,261</u>		<u>1,209</u>
Total assets less current liabilities			39,368		36,756
Creditors: Amounts falling due after more than one year			-		-
Net assets excluding pension liability			<u>39,368</u>		<u>36,756</u>
Defined benefit pension scheme liability	25		<u>(10,220)</u>		<u>(9,737)</u>
Total net assets			<u>29,148</u>		<u>27,019</u>
Funds of the Academy Trust:					
Restricted funds					
. Fixed asset fund	16	36,505		35,754	
. General fund	16	2,700		1,002	
. Pension reserve	16	<u>(10,220)</u>		<u>(9,737)</u>	
Total restricted funds			28,985		27,019
Unrestricted income funds	16		<u>163</u>		-
Total funds			<u>29,148</u>		<u>27,019</u>

The financial statements on pages 35 to 65 were approved by the Trustees and authorised for issue on 13 December 2021 and are signed on their behalf by



Annette Hall
Chair of Trustees

Consolidated Statement of Cash Flows for the year ended 31 August 2021

	Notes	2021 £000	2020 £000
Cash flows from operating activities			
Net cash provided by operating activities	20	2,007	1,644
Cash flows (used in) investing activities	21	(665)	(197)
Change in cash and cash equivalents in the reporting period		1,342	1,447
Cash and cash equivalents at 1 September 2020		3,125	1,678
Cash and cash equivalents at 31 August 2021	22	4,467	3,125

Notes to the Financial Statements for the year ended 31 August 2021

1 Statement of 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.

Basis of Preparation

The financial statements of the Academy Trust, 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.

The Rodillian Multi Academy Trust meets the definition of a public benefit entity under FRS 102.

The consolidated financial statements comprise the accounts of The Rodillian Multi Academy Trust and its subsidiary, Southway at the Rodillian Academy Limited, made up to 31 August 2021. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the Academy Trust alone as permitted by section 408 of the Companies Act 2006 and paragraph 397 of the SORP. The surplus of the Academy Trust for the year ended 31 August 2021 was £1,611k.

Going Concern

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

The Trust has strengthened its governance and financial management and as a consequence the Financial Notice to Improve was lifted in September 2020. The balances on the General Fund and Unrestricted Income Funds are now more than £3.6m. The Net Current Assets have doubled in the last twelve months to £4m and the cash position has increased to £4.5m.

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

Statement of accounting policies (continued)

Income

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

- **Grants**

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

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

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

- **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 Academy Trust has provided the goods or services.

- **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 financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

- **Donated fixed assets**

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be 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 Academy Trust 's accounting policies.

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

Statement of accounting policies (continued)

Expenditure

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

- **Expenditure on Raising Funds**

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

- **Charitable Activities**

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

All resources expended are inclusive of irrecoverable VAT.

Tangible Fixed Assets

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

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

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

- | | |
|---|----------------|
| • Long leasehold buildings and improvements | 10 - 125 years |
| • Furniture and Equipment | 5 years |
| • ICT equipment | 3 years |
| • Motor vehicles | 5 years |

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

Statement of accounting policies (continued)

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

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

Liabilities

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

Provisions

Provisions are recognised when the Academy Trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

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

Leased Assets

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

Investments

The Academy's shareholding in the wholly owned subsidiary, Southway at the Rodillian Academy Limited, is included in the balance sheet at the cost of the share capital owned less any impairment. There is no readily available market value and the cost of valuation exceeds the benefit derived.

Taxation

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

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

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

Statement of accounting policies (continued)

Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employees. As stated in note 25, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

Financial Instruments

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 14. 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.

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

Statement of accounting policies (continued)

Fund Accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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.

Agency Arrangement

The Academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the Trust does not have control over the charitable application of the funds. The Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 28.

Critical accounting estimates and areas of judgement

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.

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, 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.

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

2 Donations and capital grants

	Unrestricted Funds £000	Restricted Funds £000	Total 2021 £000	Total 2020 £000
Capital grants	-	1,069	1,069	1,901
Other donations	-	2	2	2
Donated Fixed assets	-	-	-	40
	<u>-</u>	<u>1,071</u>	<u>1,071</u>	<u>1,943</u>
2020 Total	<u>-</u>	<u>1,943</u>	<u>-</u>	<u>1,943</u>

3 Funding for the Academy Trust's educational operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2021 £000	Total 2020 £000
DfE / ESFA grants				
. General Annual Grant (GAG)	-	18,466	18,466	16,723
. Start Up Grants	-	-	-	3
. Pupil premium	-	724	724	756
. Other DfE/ESFA grants	-	1,142	1,142	1,017
	<u>-</u>	<u>20,332</u>	<u>20,332</u>	<u>18,499</u>
Other Government grants				
. Local authority grants	-	415	415	276
. AIP funding	1,578	-	1,578	1,933
. Other grants	-	76	76	-
	<u>1,578</u>	<u>491</u>	<u>2,069</u>	<u>2,209</u>
Other income from the Academy Trust's educational operations				
. Other income	81	-	81	384
COVID-19 additional funding DfE/ESFA				
Catch-up premium	-	274	274	-
Other DfE/ESFA COVID-19 funding	-	165	165	-
COVID-19 additional funding (non- DfE/ESFA)				
Coronavirus Job Retention Scheme grant (CJRS)	-	32	32	-
Other COVID-19 funding	-	95	95	-
	<u>1,659</u>	<u>21,389</u>	<u>23,048</u>	<u>21,092</u>
2020 Total	<u>2,317</u>	<u>18,775</u>	<u>-</u>	<u>21,092</u>

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

3 Funding for the Academy Trust's educational operations (continued)

- The academy received £274k of funding for catch-up premium and costs incurred in respect of this funding totalled £39k, with the remaining £235k to be spent in 2021/22.

Southway furloughed some of its staff under the government's CJRS. The funding received of £32k relates to staff costs in respect of 8 staff and all amounts were fully spent in the year.

4 Other trading activities

	Unrestricted Funds £000	Restricted Funds £000	Total 2021 £000	Total 2020 £000
Staff secondments	140	-	140	504
Hire of facilities	1	-	1	9
Staff placements/training	40	-	40	23
Miscellaneous	14	-	14	17
	<u>195</u>	<u>-</u>	<u>195</u>	<u>553</u>
2020 Total	<u>553</u>	<u>-</u>	<u>-</u>	<u>553</u>

5 Investment income

	Unrestricted Funds £000	Restricted Funds £000	Total 2021 £000	Total 2020 £000
Short term deposits	-	-	-	1
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>
2020 Total	<u>1</u>	<u>-</u>	<u>-</u>	<u>1</u>

6 Expenditure

	Staff Costs £000	Non Pay Expenditure		Total 2021 £000	Total 2020 £000
		Premises £000	Other £000		
Expenditure on raising funds	182	-	-	182	501
Academy's educational operations:					
. Direct costs	14,065	1,149	1,035	16,249	15,817
. Allocated support costs	3,253	1,937	1,082	6,272	5,194
	<u>17,500</u>	<u>3,086</u>	<u>2,117</u>	<u>22,703</u>	<u>21,512</u>
2020 Total	<u>16,219</u>	<u>3,075</u>	<u>2,218</u>	<u>-</u>	<u>21,512</u>

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

6 Expenditure (continued)

Net income/(expenditure) for the period includes:

	2021	2020
	£000	£000
Operating lease rentals	150	150
Depreciation	1,148	1,115
Fees payable to auditor for:		
- audit	41	31
- other services	9	20
	<hr/>	<hr/>

7 Charitable activities

	Total	Total
	2021	2020
	£000	£000
Direct costs – educational operations	16,249	15,817
Support costs – educational operations	6,272	5,194
	<hr/>	<hr/>
	22,521	21,011

Analysis of support costs	Total	Total
	2021	2020
	£000	£000
Support staff costs	3,253	2,225
Technology costs	90	77
Recruitment and support	55	41
Maintenance of premises and equipment	1,277	1,307
Cleaning	135	128
Rent and rates	259	260
Energy costs	189	189
Insurance	77	78
Security and transport	75	55
Catering	285	172
Governance costs	41	39
Other support costs	536	623
Total support costs	<hr/> 6,272 <hr/>	<hr/> 5,194 <hr/>

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

8 Staff

a. Staff cost

Staff costs during the period were:

	Total 2021 £000	Total 2020 £000
Wages and salaries	12,446	11,464
Social security costs	1,286	1,196
Operating costs of defined benefit pension schemes	3,509	3,169
	17,241	15,829
Supply staff costs	235	356
Staff restructuring costs	24	34
	17,500	16,219

Staff restructuring costs comprise:

Redundancy payments	15	34
Severance payments	9	-
	24	34

b. Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-contractual severance payments totalling £0 (2020: £0).

c. Staff numbers

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

	2021 No.	2020 No.
Teachers	214	204
Administration and support	143	149
Management	6	6
	363	359

d. Higher paid staff

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

	2021 No.	2020 No.
£60,001 - £70,000	10	10
£70,001 - £80,000	6	5
£80,001 - £90,000	1	3
£90,001 - £100,000	2	2
£100,001 - £110,000	2	1
£140,001 - £150,000	1	-
£220,001 - £230,000	-	1

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

8 Staff (continued)

e. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 3. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £808,547 (2020: £919,300).

9 Related Party Transactions – Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. Other Trustees did not receive any payments, other than expenses, from the Academy Trust in respect of their role as Trustees.

The value of Trustees' remuneration and other benefits was as follows:

A Gouly (Accounting Officer, CEO and Trustee):

Remuneration £140,000 – 145,000 (2020: £225,000 - £230,000)

Employer's pension contributions £nil (2020: £50,000 - £55,000)

During the year ended 31 August 2021, travel and subsistence expenses totalling £110 were reimbursed or paid directly to 3 Trustees (2020: £1,700 to 4 Trustees).

10 Trustees' and officers' insurance

In accordance with normal commercial practice the academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000 on any one claim. The cost for the 12 months ended 31 August 2021 is not identifiable from the RPA.

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

11 Tangible fixed assets – Group

	Leasehold Land and Buildings £000	Assets under construction £000	Furniture and Equipment £000	Computer Hardware £000	Motor Vehicles £000	Total £000
Cost						
At 1 September 2020	39,155	-	608	886	148	40,797
Additions	92	992	55	578	17	1,734
Disposals	-	-	-	-	-	-
Transfer	-	-	-	-	-	-
At 31 August 2021	39,247	992	663	1,464	165	42,531
Depreciation						
At 1 September 2020	3,970	-	493	669	77	5,209
Charged in year	925	-	40	162	21	1,148
Disposals	-	-	-	-	-	-
At 31 August 2021	4,895	-	533	831	98	6,357
Net book values						
At 31 August 2021	34,352	992	130	633	67	36,174
At 31 August 2020	35,185	-	115	217	71	35,588

Tangible fixed assets – Parent

	Leasehold Land and Buildings £000	Assets under construction £000	Furniture and Equipment £000	Computer Hardware £000	Motor Vehicles £000	Total £000
Cost						
At 1 September 2020	39,155	-	598	835	112	40,700
Additions	92	992	50	532	17	1,683
Disposals	-	-	-	-	-	-
Transfer	-	-	-	-	-	-
At 31 August 2021	39,247	992	648	1,367	129	42,383
Depreciation						
At 1 September 2020	3,970	-	488	630	65	5,153
Charged in year	925	-	37	147	14	1,123
Disposals	-	-	-	-	-	-
At 31 August 2021	4,895	-	525	777	79	6,276
Net book values						
At 31 August 2021	34,352	992	123	590	50	36,107
At 31 August 2020	35,185	-	110	205	47	35,547

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

12 Investments

The Multi Academy Trust has a 100% interest in its trading subsidiary which is registered in England, being £1 share capital. Southway at the Rodillian Academy Limited operates a pupil referral unit used by a number of local schools.

Total comprehensive loss of £153,618 (2020: loss £54,917) was made in the year ended 31 August 2021. The result before the actuarial gain on the defined benefit pension scheme was a loss of £70,618 (2020: profit of £241,083). At 31 August 2021 the shareholder's funds were in deficit of £293,979 (2020: deficit of £140,361).

13 Debtors

Amounts falling due within one year:

	Group	Parent	Group	Parent
	2021	2021	2020	2020
	£000	£000	£000	£000
Trade debtors	146	46	773	615
Other debtors	21	21	59	59
VAT recoverable	440	440	166	166
Prepayments and accrued income	1,493	1,461	544	602
	2,100	1,968	1,542	1,442

Amounts falling due in more than one year:

	Group	Parent	Group	Parent
	2021	2021	2020	2020
	£000	£000	£000	£000
Other debtors	-	-	18	18
	-	-	18	18

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

14 Creditors: amounts falling due within one year

	Group	Parent	Group	Parent
	2021	2021	2020	2020
	£000	£000	£000	£000
Trade creditors	658	630	391	319
Other tax and social security	317	292	304	281
Amounts due to funding body	-	-	993	993
Other creditors	415	394	344	317
Accruals and deferred income	1,159	1,112	736	706
	2,549	2,428	2,768	2,616

	Group	Parent
	2021	2021
	£000	£000
Deferred income at 1 September 2020	68	68
Resources deferred in year	(68)	(68)
Amount released from prior year	60	60
Deferred income at 31 August 2021	60	60

The deferred income balance comprises income for services provided to other schools and rates relief received from the ESFA in relation to the next year.

15 Central Services

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

- Chief executive
- School improvement and leadership support
- Human resources
- Finance services
- Governance and compliance

All schools in the Trust are charged 5% (2020: 7%) of GAG funding for these services. The actual amounts charged during the year were as follows:

	2021	2020
	£000	£000
Rodillian Academy	421	632
Featherstone Academy	115	173
BBG Academy	255	377
Brayton	156	201
	947	1,383

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

16 Funds

Consolidated Funds:

	Balance at 1 September 2020 £000	Income £000	Draft Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2021 £000
Restricted general funds					
General Annual Grant (GAG)	1,002	18,466	(15,930)	(857)	2,681
Pupil Premium	-	724	(724)	-	-
Other DfE/ESFA grants	-	1,142	(1,142)	-	-
Local Authority	-	415	(415)	-	-
Catch up premium	-	274	(39)	-	235
Other DfE/ESFA COVID-19 funding	-	165	(151)	-	14
Coronavirus Job Retention Scheme	-	32	(31)	-	1
Other COVID-19 funding	-	95	(95)	-	-
Other grants	-	78	(78)	-	-
Pension reserve	(10,627)	-	(1,076)	365	(11,338)
	(9,625)	21,391	(19,681)	(492)	(8,407)
Restricted fixed asset funds					
Transfer on conversion	30,767	-	-	-	30,767
DfE/ESFA capital grants	4,788	1,069	(1,149)	857	5,565
Capital expenditure from other funds	199	-	-	-	199
	35,754	1,069	(1,149)	857	36,531
Total restricted funds	26,129	22,460	(20,830)	365	28,124
Total unrestricted funds	749	1,854	(1,873)	-	730
Total funds	26,878	24,314	(22,703)	365	28,854

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

The General Annual Grant and other restricted funds were paid specifically to cover the running costs of the Trust for the year to 31 August 2021, together with grants from different funding bodies.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2021.

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

16 Funds (continued)

The Academy Trust has used integrated financial and curriculum planning to target teaching staff reductions and increase the average teaching loads. Support staff costs have also been reviewed, non-staff costs have been reduced and where possible contracts are being re-negotiated on a Trust-wide basis.

Other restricted funds include Pupil Premium which is used to raise the attainment of disadvantaged pupils and Special Education Needs income which is received for the provision of education to high needs pupils.

The restricted fixed asset fund includes the net book value of the assets held, plus the balance of the devolved capital grants and CIF funding given by the ESFA and unrestricted funds transferred to restricted funds to fund future capital expenditure. The main restriction is that it is to be spent on capital assets.

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

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2020 £000
Restricted general funds					
General Annual Grant (GAG)	(309)	16,723	(15,412)	-	1,002
Start Up Grant	-	3	(3)	-	-
Pupil Premium	-	756	(756)	-	-
Other DfE/ESFA grants	-	1,017	(1,017)	-	-
Local Authority	-	276	(276)	-	-
Other grants	-	2	(2)	-	-
Pension reserve	(4,965)	-	(733)	(4,929)	(10,627)
	(5,274)	18,777	(18,199)	(4,929)	(9,625)
Restricted fixed asset funds					
Transfer on conversion	30,767	-	-	-	30,767
DfE/ESFA capital grants	3,701	1,901	(1,115)	301	4,788
Capital expenditure from other funds	159	40	-	-	199
	34,627	1,941	(1,115)	301	35,754
Total restricted funds	29,353	20,718	(19,314)	(4,628)	26,129
Total unrestricted funds	377	2,871	(2,198)	(301)	749
Total funds	29,730	23,589	(21,512)	(4,929)	26,878

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

16 Funds (continued)

Total fund analysis by academy

Fund balances of The Academy Trust (excludes Southway at the Rodillian Academy Limited) at 31 August 2021 were allocated as follows:

	Total 2021 £000	Total 2020 £000
The Rodillian Academy	2,217	1,157
Featherstone Academy	(434)	(404)
BBG Academy	1,266	807
Brayton Academy	(495)	(558)
Central services	309	-
Total before fixed asset fund and pension reserve	<u>2,863</u>	1,002
Restricted fixed asset fund	36,505	35,754
Pension reserve	(10,220)	(9,737)
Total	<u>29,148</u>	27,019

Brayton Academy is rated as "Outstanding" by OFSTED and the numbers of pupil on roll have increased by over 10% for the last three years. The Trust has funded the school during this growth which has resulted in its deficit increasing. The Trust applied to the ESFA for in-year funding to support the growth in pupil numbers, and this bid was successful in May 21. This will mean that Brayton Academy's income will increase and the Trust has plans to reduce the deficit over the next three years.

Pupil numbers at The Featherstone Academy have increased steadily towards the expected roll of 450. The Trust continues to operate this small school effectively and efficiently while improving the educational experience for students. The expectation is that The Featherstone Academy will reduce its deficit steadily over the next five years.

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

16 Funds (continued)

Total cost analysis by academy

Expenditure incurred by each academy during the year (excluding defined benefit pension costs) was as follows:

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs (excluding depreciation) £000	Total 2021 £000	Total 2020 £000
Rodillian Academy	5,582	495	211	1,637	7,925	7,164
Featherstone Academy	1,631	360	49	381	2,421	2,092
BBG Academy	3,402	467	129	658	4,656	4,147
Brayton Academy	2,078	377	88	344	2,887	2,423
Central services	183	620	18	120	941	2,148
	12,876	2,319	495	3,140	18,830	17,974

17 Analysis of net assets between funds

Fund balances at 31 August 2021 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets	-	-	36,174	36,174
Current assets	851	5,161	555	6,567
Current liabilities	(121)	(2,230)	(198)	(2,549)
Non current liabilities	-	-	-	-
Pension scheme liability	-	(11,338)	-	(11,338)
Total net assets	730	(8,407)	36,531	28,854

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

17 Analysis of net assets between funds(continued)

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

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets	-	-	35,588	35,588
Current assets	941	2,775	969	4,685
Current liabilities	(192)	(1,773)	(803)	(2,768)
Non current liabilities	-	-	-	-
Pension scheme liability	-	(10,627)	-	(10,627)
Total net assets	749	(9,625)	35,754	26,878

18 Capital commitments

	2021 £000	2020 £000
Contracted for, but not provided in the financial statements	362	38

19 Commitments under operating leases

Operating leases

At 31 August 2021 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	Group 2021 £000	Parent 2021 £000	Group 2020 £000	Parent 2020 £000
Amounts due within one year	1,258	1,256	1,247	1,245
Amounts due between one and five years	4,446	4,446	4,532	4,530
Amounts due after five years	8,800	8,800	9,778	9,778
	14,504	14,502	15,557	15,553

Included above is the PFI agreement for the Rodillian Academy, under which the Trust is committed to pay a standard contribution. The standard contribution for the 2020/21 Financial Year and Future years will be calculated in order to meet the relevant proportion of the Unitary Charge less the PFI grant, paid under section 31 of the Local Government Acts 2003. The standard contribution for PFI includes the PFI factor as noted above as well as other amounts for services supplied. The annual charge for the current year was £1,111,539 (2020: £828,132). The agreement expires in 2034.

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

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

	2021 £000	2020 £000
Net income/(expenditure) for the reporting period	1,611	2,077
Adjusted for:		
Loss on disposal of fixed asset	-	-
Depreciation	1,148	1,115
Capital grants from DfE and other capital income	(1,069)	(1,941)
Interest receivable	-	(1)
Defined benefit pension scheme cost less contributions payable	900	621
Defined benefit pension scheme finance cost	176	112
(Increase)/decrease in debtors	(540)	471
(Decrease) in creditors	(219)	(810)
Net cash provided by Operating Activities	2,007	1,644

21 Cash flows from investing activities

	2021 £000	2020 £000
Interest receivable	-	1
Purchase of tangible fixed assets	(1,734)	(2,139)
Capital grants from DfE/ESFA	1,069	1,901
Other donations	-	40
Net cash (used in) investing activities	(665)	(197)

22 Analysis of cash and cash equivalents

	At 31 August 2021 £000	At 31 August 2020 £000
Cash in hand and at bank	4,467	3,125
Total cash and cash equivalents	4,467	3,125

23 Analysis of changes in net debt

	At 1 September 2020 £000	Cashflows	At 31 August 2021 £000
Cash	3,125	1,342	4,467
	3,125	1,342	4,467
Amounts due to the funding body	(993)	993	-
Total	2,132	2,335	4,467

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

24 Members liability

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

25 Pension and similar obligations

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

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

Contributions amounting to £245,866 were payable to the schemes at 31 August 2021 (2020: £234,100) 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 full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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

Valuation of the Teachers' Pension Scheme

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

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

25 Pension and similar obligations (continued)

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

The TPS valuation for 2012 determined an employer rate of 16.48%, which was payable from September 2015. As a result of the latest valuation based on membership data as at 31 March 2019, TPS employees paid an increased contribution rate of 23.68% from 1 September 2019 (this includes the administration levy of 0.08%). The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the period amounted to £2,054,544 (2020: £1,739,519).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate Trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £684,000 (2020: £632,000), of which employer's contributions totalled £493,000 (2020: £467,000) and employees' contributions totalled £191,000 (2020: £165,000). The agreed employer contribution rates for future years are between 12.1% and 21.7% dependent on the pension fund.

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.

In addition to the agreed contribution rates, two academies are contributing additional payments to mitigate the pension deficit. The level of contributions is reviewed at each triennial valuation of the pension fund.

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

25 Pension and similar obligations (continued)

Principal actuarial assumptions	At 31 August 2021	At 31 August 2020
Rate of increase in salaries	3.85 %	3.55 %
Rate of increase for pensions in payment/inflation	2.6 %	2.3 %
Discount rate for scheme liabilities	1.7 %	1.7 %
Inflation assumption (CPI)	2.6 %	2.3 %
Commutation of pensions to lump sums	50.0%	50.0%

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

	At 31 August 2021	At 31 August 2020
<i>Retiring today</i>		
Males	21.9	21.8
Females	24.7	24.6
<i>Retiring in 20 years</i>		
Males	22.6	22.5
Females	25.8	25.7

Sensitivity analysis

For the principal assumptions used to measure scheme liabilities, the measurement of scheme liabilities would have been affected by changes in the relevant assumption that were reasonably possible at the balance sheet date. The table below shows the effect on the net liability of changes to the assumptions used:

	2021 £000	2020 £000
Discount rate +0.1%	(615)	(526)
Discount rate -0.1%	639	546
Mortality assumption – 1 year increase	(926)	(753)
Mortality assumption – 1 year decrease	929	773
CPI rate +0.1%	109	94
CPI rate -0.1%	(109)	(94)

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

25 Pension and similar obligations (continued)

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

	Fair value at 31 August 2021 £000	Fair value at 31 August 2020 £000
Equity instruments	10,187	7,781
Debt instruments	1,723	1,587
Property	536	474
Cash	280	201
Other	381	275
Total market value of assets	13,107	10,318

The actual return on scheme assets was £180,000 (2020: £194,000)

Amount recognised in the statement of financial activities

	2021 £000	2020 £000
Current service cost (net of employer contributions)	(900)	(606)
Past service cost	-	(23)
Interest income	180	194
Interest cost	(356)	(298)
Total operating charge	(1,076)	(733)

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

	2021 £000	2020 £000
At 1 September	20,945	15,144
Current service cost	1,393	1,073
Past service cost	-	23
Interest cost	356	298
Employee contributions	191	165
Actuarial loss	1,753	4,525
Benefits paid	(193)	(283)
At 31 August	24,445	20,945

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

25 Pension and similar obligations (continued)

Changes in the fair value of academy's share of scheme assets:

	2021	2020
	£000	£000
At 1 September	10,318	10,179
Interest income	180	194
Actuarial gain/(loss)	2,118	(404)
Employer contributions	493	467
Employee contributions	191	165
Benefits paid	(193)	(283)
At 31 August	13,107	10,318

26 Related party transactions

Owing to the nature of the Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trust has an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH, including notifying the ESFA of all transactions made on or after 1 April 2020 and obtaining their approval where required, and with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

Southway at the Rodillian Academy Ltd is a related party as it is a 100% subsidiary of The Rodillian MAT. The following transactions took place during the year:

	2021	2020
	£000	£000
Purchase of Alternative Provision	282	271
Recharge of goods and services	30	143
Sale of letting space	62	62
Recharge of central services	95	82

The following balances were outstanding at the year end (eliminated on consolidation):

	2021	2020
	£000	£000
Amounts owed from Southway included in debtors	-	43
Amounts owed to Southway included in creditors	-	43

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

26 Related party transactions (continued)

Great Academies Educational Trust (GAET) is a related party as A Hall is a Trustee of both The Rodillian MAT and GAET. The following transactions took place during the year and the following balances were outstanding at the year end:

	2021 £000	2020 £000
Income regarding staff secondment	-	254
Credit note regarding prior year income	(3)	-
Purchases	-	-
Amounts owed from GAET included in debtors	-	20

As at the year end £18,630 (2020: £27,654) was owed from Andrew Goulty, the chief executive of the Trust. This is in relation to expenses paid in prior years, which have been agreed to be repaid by the CEO by August 2022.

27 Principal subsidiaries

The wholly owned trading subsidiary Southway at the Rodillian Academy Limited is incorporated in the United Kingdom (company number 08492483). Southway at the Rodillian Academy Limited provides alternative education services.

The summary financial performance of the subsidiary alone is:

	2021 £000	2020 £000
Turnover	1,872	2,224
Administrative expenses	(1,961)	(1,975)
Interest payable and similar expenses	(14)	(8)
Other operating income	32	-
Profit for the financial year	(71)	241
Actuarial loss on defined benefit pension scheme	(83)	(296)
Total comprehensive income for the year	(154)	(55)

The assets and liabilities of the subsidiary were:

	2021 £000	2020 £000
Fixed assets	67	41
Current assets	878	944
Current liabilities	(121)	(235)
Provision for liabilities (pension)	(1,118)	(890)
Total net liabilities	(294)	(140)

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

28 Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2021, the Academy Trust received £14,728 and disbursed £23,270 from the fund. An amount of £35,671 is included in other creditors relating to undistributed funds that is repayable to ESFA.

Comparatives for the accounting period ending 31 August 2020 are £19,637 received, £20,916 disbursed and £44,212 included in other creditors.