

Company Registration Number: 08401607 (England & Wales)

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021



RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details	1 - 2
Trustees' Report	3 - 14
Governance Statement	15 - 19
Statement on Regularity, Propriety and Compliance	20
Statement of Trustees' Responsibilities	21
Independent Auditors' Report on the Financial Statements	22 - 25
Independent Reporting Accountant's Report on Regularity	26 - 27
Statement of Financial Activities Incorporating Income and Expenditure Account	28
Balance Sheet	29
Statement of Cash Flows	30
Notes to the Financial Statements	31 - 62

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2021

Members

Debbie Stokes
Ian Smith
Darren Digby
Mike Davis

Trustees

Jonathan Wincott, Chair of Trustees (appointed 19 October 2020)
Debbie Stokes
Peter Hennessy
Keith Hudson
Ceri Jones
Clare Laidler
June Morgan
Katharine Dines

Company Secretary

Simon Smith

Senior Management Team

Katharine Dines, CEO & Headteacher (Sweyne Park School)
John Edwards, Deputy Headteacher (Sweyne Park School)
Nicola Welch, Deputy Headteacher (Sweyne Park School)
Sally Pemberton, Associate Deputy Headteacher (Sweyne Park School)
Simon Smith, Chief Finance Officer
Ed Hawkings, Assistant Headteacher (Sweyne Park School)
Alick Robertson, Assistant Headteacher (Sweyne Park School)
Richard Bradley, Assistant Headteacher (Sweyne Park School)
Maria Shangolis, Assistant Headteacher (Sweyne Park School)
Nicola Bache, Headteacher (Glebe Primary School)
Helen Coote, Deputy Headteacher (Glebe Primary School)

Company Name

Rayleigh Schools Trust

Principal and Registered Office

Rayleigh Schools Trust
Sir Walter Raleigh Drive
Rayleigh
Essex
SS6 9BZ

Company Registered Number

08401607 (England & Wales)

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2021

Independent Auditor

MHA MacIntyre Hudson
Boundary House
4 County Place
Chelmsford
Essex
CM2 0RE

Bankers

Lloyds Bank
78 High Street
Rayleigh
Essex
SS6 7EB

Solicitors

Essex Legal Services
c/o County Hall
Market Road
Chelmsford
Essex
CM1 1QH

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their Annual Report together with the financial statements and auditor's report of the charitable company for the year ending 31st August 2021. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' Report under company law.

The Trust operates 2 academies for pupils aged 3 to 18 serving a catchment area in Rayleigh and its surroundings. It has a pupil capacity of 30 for Nursery, 420 for Reception to Year 6 with 382 on roll, 1,350 for Year 7 – 11 with 1,311 on roll, 240 for Year 12 – 13 with 206 on roll at 7th October 2021.

*The Swayne Park Pupil Admission Number (PAN) has just increased from 248 to 270 per year group. This increase will take 4 more years to work through.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Trust is a company limited by guarantee and an exempt Charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Trustees of Rayleigh Schools Trust are also the Directors of the charitable company for the purposes of company law. The charitable company operates 2 schools, The Swayne Park School and Glebe Primary School.

Details of the Trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on page 1.

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

Trustees benefit from indemnity insurance to cover the liability of the Trustees which by virtue of any rule of law which would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust. This cover is provided within the Risk Protection Arrangement (RPA) provided by the Department for Education.

Method of Recruitment and Appointment or Election of Trustees

Trustees are selected on a skill, knowledge and experience basis. The CEO will carry out due diligence prior to the Members appointing by ordinary resolution up to 6 Trustees to satisfy the objectives of the Trust.

The Trustees will appoint a Local Governing body (LGB) for each school within the MAT. Staff representatives will sit on the LGB of each school. Parent governors sit on the Local Governing body of the respective schools within the Multi Academy Trust (MAT) and are appointed in accordance with the terms of reference determined by the Trustees. The method of appointment is set out within the MAT Articles.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

Policies and Procedures Adopted for the Induction and Training of Trustees

Prior to any appointment the CEO will conduct discussions and interviews during the appointment process to establish the profile of a prospective member. At the commencement of each academic year a skills audit of training needs will be reviewed. This informs training requirements during the year. The Governing Body of each school subscribes to a training package from Essex Governor Services. Trustees may attend internal and external sessions. Attendance at training sessions is recorded. Formal Safeguarding training is given to Trustees at the start of their term and is refreshed annually. An Induction Pack is provided to all new Trustees and Governors on appointment, this is discussed with them.

Organisational Structure

Members will normally meet once a year at their AGM. There may be additional meeting should there be a requirement or to discharge duties covered within the Scheme of Delegation.

Trustees will meet 6 times a year. Additionally, the Assets committee will meet 6 times a year. The Trustees are the strategic decision-making body of the Trust. Their duties and responsibilities are set out in the Scheme of Delegation which they will agree each year.

The Assets committee is delegated to undertake examination of financial and audit matters and report back to the Trustees.

The Scheme of Delegation sets out the Trustees role. Summarised by;

- Setting suitable aims and objectives;
- Agreeing policies, targets and priorities;
- Monitoring and reviewing aims and objectives and whether the policies, targets and priorities are being achieved in order to hold the school to account;
- Setting and monitoring a balanced financial budget;
- Ensuring the schools are a welcoming and safe place and providing a positive learning environment

Local Governing Body

Trustees will appoint an LGB to each of the Trust Schools. The LGB shall undertake the duties and responsibilities as set out in the Scheme of Delegation.

The LGB administration shall comprise of full LGB meetings, a Resources committee and a Standards & curriculum committee each meeting once a term.

The CEO shall always be the Headteacher of the lead school within the MAT (The Swayne Park School) and shall be responsible for the day-to-day running of the MAT and the lead school. They shall have the strategic lead in the delivery of education and administration of assets. They shall report to and deliver the policies of the Trustees. They shall also work closely with the LGB. The CEO will be the Accounting Officer.

A Headteacher who is not a CEO shall be responsible for the administration and oversight of the strategic direction for their school. Their role and responsibilities are set out in the Scheme of Delegation. They shall work closely with their LGB.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

Arrangements for setting pay and remuneration of key management personnel

The Trusts Key Management Personnel comprise of the CEO, Headteacher and their Leadership teams. All key personnel are paid according to the relevant national and Essex pay body recommendations. The Trustees are responsible for CEO/Headteacher performance and pay and changes to staffing structures that will influence pay.

The CEO/Headteachers implement performance reviews that will inform pay decisions for all other staff.

Members receive no remuneration for undertaking their responsibilities.

Trustees receive no remuneration for undertaking their responsibilities.

The Local Governing Body members receive no remuneration for undertaking their responsibilities

Trade union facility time

Trade Union facility time is purchased as part of the Essex County Council public duties fund that the Trust subscribes to. The cost equates to £1 per pupil. The Headteachers have regular meetings within directed time with Union representatives. The Trust supports wider union representation at County Level. Expenditure is less than 0.1% of the wage bill.

Related Parties and other Connected Charities and Organisations

Across the Trust, its schools are Members of, or subscribes to, wider networks of schools that include close links with the Specialist Schools and Academies Trust, The Rayleigh Teaching School Alliance, The Benfleet Teaching School Alliance, Rochford District Schools Partnership Trust (LDG), Castle Point & Rochford Association of Secondary Heads' Essex (ASHE), EnPro (an informal Trust of Essex Schools with a RBHIP), South Essex Teaching Institute (SETI), The South Essex Teaching School Alliance, The Deanes Schools Sports Partnership, Essex Primary Headteachers Association (EPHA), Castle Point and Rochford Senior schools Behaviour and Attendance Partnership (CPR BAP). Trustees have all completed a declaration of interest form along with senior staff.

Lynda Walker, Chair of Swayne Park School's Local Governing Body, is a Director of Rochford District Schools Partnership Trust. Ceri Jones is Headteacher at Chipping Hill Primary who are a training provider to the Trust. Simon Smith is an elected Member of Rochford District Council.

Engagement with employees (including disabled persons)

The ethos of the Trust promotes a shared approach and joint responsibility. Employees are kept up to date with operational and strategic matters by way of regular briefings and weekly news letters. There are a regular timetabled meetings with representatives of professional organisations. All levels of management have an informal "open door" policy to ensure that all issues can be raised. The management system allows for goals to be set for individuals, curriculum areas and schools as a whole. Examples of positive practice include, staff use of "hearing dogs" and the high level of acoustic treatment within the school for deaf staff and pupils.

Disability is managed as determined in law without discrimination.

OBJECTIVES AND ACTIVITIES

The Trust's object is specifically restricted to the advancement, for the public benefit, of education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum to ensure the highest possible educational standards.

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The principal aim of the Trust is to provide high quality learning that helps all students to fulfil their intellectual potential and become good citizens and emotionally well-balanced young people.

Objects and Aims

The Trustees have complied with their duty under section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission and the Trustees have paid due regard to this guidance in deciding what activities the charitable company should undertake.

The Trustees have given consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

The Trust provides education to children and young people that is:

- 1) balanced and broadly based;
- 2) promotes the spiritual, moral, cultural, mental and physical development of students at the school and society;
- 3) prepares students at the school for the opportunities, responsibilities and experiences of later life;
- 4) promotes, sustains and increases individual and collective knowledge and understanding of specific areas of study, skills and expertise.

The Trust operates 2 schools and serves pupils within Rayleigh and its surroundings. It is subject to the current statutory arrangements as laid down in the national Admissions Code. Current arrangements for entry to the schools are available in the section of the respective school websites dealing with admission arrangements.

Objectives, Strategies and Activities

Key influences on the Trust Development Plans for the period under review were the significant challenges resulting from Covid -19, the recovery programme and review and transition of pupil numbers.

Achievements in Teaching and Learning, Leadership, Spiritual, Moral, Social and Cultural, Behaviour, Safety and Child Protection priorities as identified via the school's Self-Evaluation Form and legislation.

Key activities and targets are set out in the school Development Plan for Swayne Park, which is available on request. The key priorities are set out on the website, www.swaynepark.com. Glebe Primary continues to receive in many operational areas and has strong links with Chipping Hill primary. Key activities and targets are set within the MAT and are presented within the School Development Plan. This is available on request.

A significant new build project has taken place at Swayne Park to facilitate an expansion in role from 248 to 270 pupils each of Yrs 7-11

Public Benefit

In setting our objective and planning out activities the Trustees have carefully considered the Charity Commission's general guidance on public benefit. There was a temporary pause to some activity during the period, that resulted from Covid-19 restrictions. These will resume in 21/22

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

STRATEGIC REPORT

Achievements and Performance

Sweyne Park School

The school continues to run successfully as a MAT, supporting Glebe Primary School in all aspects of school life.

Given the unprecedented situation caused by the pandemic, it has been another year of great challenge and some uncertainty. During the second period of school closures at the beginning of the year, we remained open for vulnerable and keyworker children. The planning for the safe and full re-opening of schools, from March 2021, necessitated significant increased spending on resources, at all levels across the school in particular with relation to ICT infrastructure. This was required to meet the legal requirement of delivering high quality remote learning. Throughout the year we continued to offer a broad and balanced curriculum, both in person and virtually, and are now in a stronger position to provide a blended approach to learning to pupils who may still need to self-isolate. Pupil numbers remain strong. We were oversubscribed with applications for Year 7, despite an increase in our PAN from 248 to 270. However, numbers in our Sixth Form remain a concern, and this is something that we are keeping under close review, and we continue to challenge the viability of small class sizes.

Positive marketing of the school remains a priority, and as the Government restrictions around COVID-19 lifted we began to see a sharp increase in the number of commercial lettings at the school.

Pupils were, once again, unable to take external examinations this year, and the Government made the decision that schools should issue Centre Assessed Grades (CAGs). Our outcomes were artificially higher than in previous years. As a school, we undertook thorough and rigorous internal moderation and standardisation and were then subjected to external scrutiny. The CAGs that we submitted were upheld by the Exam Boards, and unchanged.

A-Level Outcomes

- A-Level results were very strong with 92% of students achieving their firm or insurance choice of university;
- 89% of pupils achieved A* - C grade;
- The average grade achieved was B.

GCSE Outcomes

- 100% of pupils received 5 or more GCSE equivalent passes;
- 73 % of pupils achieved a grade 4 or above in both English and Maths, and 37% gained a grade 5 or above.

The school remained fully staffed with qualified teachers despite the national recruitment crisis. This is largely due to our engagement with Initial Teacher Training and positive reputation within the community. We are also seeing an increase in the number of former students training with us, and filling vacancies as they arise.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

Performance Indicators

The Trustees, during the course of the year, with assistance from the LGBs, will monitor all aspects of financial performance and benchmark against data that is centrally produced. We have now embedded Go4Schools into our system, which allows quick and easy access to live data, at all times. We have, of course, had no external data now for two years, this includes no data on our new intake from our feeder primary schools.

Financial income streams and transactions are monitored against projections. Challenge and rigour are provided to the CEO and the Chief Financial Officer. We have recently invested in a new financial package, PS Financial, which, although has taken some time to become fully functional, will ultimately provide accurate budgetary and reporting tools.

External education sector trends and influences are closely monitored and feed into Trustee agendas. External advice and opinion are taken from our Auditors.

Glebe Primary School

As with the previous academic year, 2020-2021 had a period of restricted attendance between January and March. During this time, we continued to provide learning via a remote platform for those who were at home and for over 150 pupils within school. The majority of these pupils were considered vulnerable or had parents working within critical fields. We also provided, for a limited number of children, breakfast and after-school facilities and for those Free School Meal families, food vouchers.

On the return to full-time attendance, school continued to follow the contingency framework from the DfE. We provided full-time education for all pupils, including remote learning when children were isolating. The curriculum was adapted to meet the needs of learners, specifically in relation to gaps that had been evident due to the restricted attendance. We also provided small group tuition for pupils in Reception, Year 1 and Year 2 and Year 5 and Year 6. This focused on phonics, sentence structure, reading and mental arithmetic. This was funded from the Catch-Up Premium.

As a result of no national assessments, each class teacher assessed children in Reading, Writing, Maths and the combined subjects. This was based upon ongoing assessment and that of formal assessments at the end of June 2021. Though not comparative from that of 2020, the in-house assessments were as follows:

Good Level of Development – 75%

Year 1 Phonics – 70%

Year 2 (End of Key Stage)

Reading – 73%

Writing – 67%

Maths – 68%

Combined – 62%

Year 6 (End of Key Stage)

Reading – 80%

Writing – 75%

Maths – 82%

Combined – 65%

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

Our greatest areas of concern were with Maths across the whole school, phonics in Year 1 and the outcomes of SEND and disadvantaged pupils. These remain key areas for development within our School Development Plan (SDP) this academic year. Our current Year 2 will undertake the national phonics screening check in December 2021. We are also seeing, as the national picture demonstrates, greater issues with speech and language, particularly within the younger years. As a result, we are employing a speech and language therapist to support individual high needs and working with the Early Talk Boost scheme.

We are, currently, fully staffed within the teaching department and are seeking one part-time Learning Support Assistant (LSA). We have one Early Career Teacher (ECT) who is requiring additional support. As a result, we are utilising one of our HLTAs to team-teach with the ECT full-time. This has meant that the Planning, Preparation and Assessment (PPA) cover the Higher Level Teaching Assistant (HLTA) would normally provide is being delivered by a consistent supply teacher.

Since September 2021, we (alongside many other schools) have seen an increase in the Social, Emotional and Mental Health (SEMH) needs of families, so have relied heavily on support from Extended Services, especially in relation to Send Educational Needs and Disabilities (SEND) support via the Educational Psychologist and Autism Specialist. As Social Care threshold remains high, the support that they provide for family intervention is essential. We are also utilising their counselling service.

We continue to maintain a high percentage of SEND pupils, not just within the EPHIC (Enhanced Provision for Hearing Impaired Children). We have several pupils whose parents and school have agreed require alternative provision, but Essex cannot offer this. As a result, we have three appeals currently being undertaken by parents and are providing, as best as we possibly can, alternative provision within a mainstream school environment. This is proving to rely on a high level of resourcing.

We are increasingly concerned with regards to attendance, particularly for those pupils who have historically struggled with absenteeism. This is particularly significant within the disadvantaged group. More personnel are required to tackle this effectively and to make a positive impact. This is a national, local and school concern.

The nursery has increased its full-time provision and we are now providing nursery for 40 pupils throughout the week, with the majority of sessions now full. This should help to maintain our 60 intake for Reception in September 2022. However, it now means that we cannot offer many places for January and March intakes, which may mean families choosing alternative provision. This could be detrimental when we seek Reception places for September 2023.

We currently have a greater number of students than that of last academic year, but numbers are fluctuating with leavers and arrivals. This has been especially noticeable for those who are in social housing, as many have been re-housed to the estate in Rochford and, as a result, have left to join a school closer. We are finding that the majority of new arrivals are coming from outer London. We continue to have spaces in Year 1 and Year 2, as for the previous two years Reception was not full.

We are expecting Ofsted this academic year and are working on developing the implementation of our curriculum in order to ensure that our intent is fully met and that this will impact positively on our end of key stage 2 results. Within this is driving the effectiveness of subject leadership and ensuring that our outcomes, particularly for SEND and disadvantaged pupils are stronger. As a result, we are placing a lot of focus on Continuous Professional Development (CPD).

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

Going Concern

There is concern about ongoing education funding that is presenting challenges across the education sector particularly as a result of COVID-19 *also see Reserves Policy However, after making appropriate enquiries and consideration of previous performance, the Board of Trustees has a reasonable expectation that the Trust has adequate resources and skill 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.

FINANCIAL REVIEW

The Trustees have established a system of strategic overview for Trust finances. Monthly management reports are presented along with budget setting progress reports. These also benefit from the examination of detail by the LGBs of the respective schools. Regularity visits are carried out by an external auditor. The Trust also purchased an independent finance review this year in line with the Academies Handbook requirement. The Trust's accountants attend (at Partner level) key strategic meetings. The Trust has established strong support links with Glebe Primary to ensure Financial stability. Staff within the Finance teams are now able to provide mutual support. Trustees have also given due consideration to the risk associated with financial mismanagement and / or compliance failures.

The Swayne Park School and Glebe Primary are operating in a period of considerable financial uncertainty there has been late notification of both expenditure (pay increases) and income (COVID-19 related income). Financial planning is focused on maintaining the breadth and quality of future work in the context of lack of clarity in budgets. The LGB of both schools has taken a closer monitoring role with the budget in the period covered by this report with monthly management reports being presented for examination. During the reporting period meeting continued to take place with all normal reporting.

The principal funding for the operation of the school is provided by the Education Funding Agency. A formal funding agreement is in place for this. Other funding is provided by Essex County Council and other local authorities who receive invoices for education provided for pupils who live in their administrative area. The School's governance arrangements ensure that financial performance is reviewed on a half termly basis. An overall increase in pupil numbers has helped to mitigate other cost pressures.

Monthly accounts are produced, and a financial review is carried out with results circulated to the Assets Committee. Budget planning is started in detail by November each year to ensure continuity. All sources of income, especially those around pupils' numbers are examined for robustness and sustainability. Support is provided by our auditors at key points. The day to day management of financial matters is handled on-site by a skilled team. It has become clear during the year that further robustness could be created by an even more integrated approach to finance management.

During the period covered by the report, decisions made resulted in the use of reserves. The school was able to undertake all its planned activities during the year. Without additional funding provided by the ESFA to cover Covid related activities there would have been a significant loss during the year. Cashflow at both schools were good at all periods of the year. It should be noted that Trustees are aware and concerned about inflationary pressures around prices, wages, energy and taxation which are difficult to quantify at this point.

There were no new funds made available to deliver capital projects. Bids for capital projects will be made again during the year. Essex County Council funded a significant building project during the year to facilitate an expansion in pupil numbers at Swayne Park. The cost of this build does not feature in the accounts apart from the money allocated to provide equipment for the building.

A lease was renewed on 6 September 2021 for the provision of the 6th form building for a further 3 years.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

Pupil numbers have been strong in the Nursery provision. However there are still concerns resulting from the demographic area wide dip in pupil numbers in years 1 and 2. Recruitment of pupils into Yr12 has also not been strong for 21/22. During the forthcoming year a strategic overview will be required on the implication of these figures. Both these factors will impact budget setting for 22/23. A review of the Financial management structure will also be required due to predicted staff movements.

The Trustees are open to further expansion of the MAT. Any expansion would have good grounding in the raising of academic performance as well as financial and administrative efficiency.

During the year a decision was made to move to a new accounting system (PS Financials). This will also allow the new ESFA Chart of Accounts to be used. The scale of the move is a significant undertaking for the MAT. It may take some time for the staff to learn all of the operating procedures. The new system will fully introduce system generated reports for the monitoring of finances. Training will be given where necessary to allow Trustees and Governors to fully access and examine the new presentation of information.

During 20/21 a new payroll provider was appointed via the previous contract with ECC. The start of the transition in this reporting period was extremely unsatisfactory and provides an on-going concern.

COVID-19 related factors

COVID-19 had a significant impact on the operation of the Trust over the reporting period. It is also clear that this will persist into the future. Financially there was a large drop in externally generated income (lettings) there were additional costs from mass testing. The use of supply and cover staff was considerable. The use of reserves has been noted under Reserves policy.

COVID-19 control measures were put in place after a full COVID-19 risk assessment had been carried out. Representatives of professional teacher organisations (unions) were consulted during this process. The Assessments were ratified by the Chair of Trustees and were published on the websites of both Trust schools. Simple and effective systems were developed and trialled to ensure effectiveness. The schools took measures to ensure that supplies were obtained in challenging market conditions. Both Trust schools remained open for Key workers during the COVID-19 period.

At various stages there was a large scale mobilisation to provide Mass testing facilities for staff and pupils. This required the diversion of resources. In turn the catch-up required for normal activities had to be managed. Cleaning requirements have been at an increased level for the whole of 20/21 and continue during 21/22. The cost and management of this has produced an increased strain.

The Trust was able to maintain the services required of it during the period affected by COVID-19. For pupils, particular use was made of the "schools meal voucher" system once it was set up. The prolonged requirement for online delivery of lessons highlighted the need to upgrade various element of the ICT infrastructure. This has commenced and will be fully delivered during 21/22 with the ongoing financial strain of new leases.

School facilities have been closed to lettings since the initial lockdown. This has impacted on income generation and has also had an impact on the wider local community who use the school as a hub for activities. The Trust will open its facilities as soon as regulation and safe operation allows.

The impact on staff and pupils of the COVID-19 crisis is hard to quantify. The Trust benefited from some exceptional levels of commitment and sheer numbers of hours worked to maintain its operation. The medium to longer term impact will clearly be influential on many aspects of Trust operation. Additional resources have been directed to deal with staff and pupil absence, staff and pupil moral, staff and pupil welfare, staff and pupil mental health issues, staff and pupil family issues and many other aspects. The Trust has been able to recruit specialist support to assist with some aspect of the items mentioned.

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The financial impact to the end of 20/21 has not caused significant concerns (*note reserves comments). However, the apparent on-going nature of COVID-19 related matters which were difficult to quantify during the budget setting process, will impact on 21/22 and will provide challenges. The open and transparent administration of finances will ensure that proper and effective management continues.

The early stages of 21/22 has indicated the ongoing nature of Covid issues. The need for additional catch-up work with many pupils is high. The need for additional mental health support for a number of pupils is high. The Covid related absence rates are high for staff and pupils.

Reserves Policy

The Trust as a whole holds a reserve to deal with strategic issues. The MAT as a whole has held the "Reserves". Access to reserves has been via the title of "CEO" funds. Schools may make requests to access these funds for a specific purpose. They should not be used to maintain on going revenue costs. The Trustees have overall control of the use of reserves in consultation with Headteachers and LGB's. The ambition is to hold 1 months running cost as reserves. A target reserves figure of £1,000,000 is set for 2025. Capital funds need to be built up to allow for larger spend items that will occur on a periodic basis. These items would not normally be successful as CIF bids (for example, car park resurfacing) are for use on the general purposes of the Academy.

During 20/21 to support a variety of issues including Covid 19 factors a conscious decision was made to access reserves. Spending was fully considered by Trustees, LGB's and Headteachers. This use of reserves is seen as an exception, and supported additional catch up tutoring, the provision of ICT equipment for on line delivery, finance system upgrade and other items across the Trust.

At 31 August 2021 the total funds comprised:

Unrestricted		£271,034
Restricted:	Fixed asset funds	£15,745,598
	Pension reserve	(£5,491,000)
	Other	£120,637
		<u>£10,646,269</u>

Investment Policy

The Trust will invest reserves only within a low risk environment of a commercial high street bank. There were no investments during the period covered by this document.

Principal Risks and Uncertainties

The principal risks facing the Trust are set out in the Academy's Risk Management policy and Risk Register which is reviewed annually by the Trustees.

The Trustees and LGB's accept that managed risk as an inevitable part of its operations but maintains an objective not to run unacceptable levels of risk in any area. The subjective nature of this process requires major risks to be resolved by the Trustees and LGB's, whilst more minor risks are dealt with by senior staff.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

Trustees have identified the following principal risks and uncertainties facing the MAT:

Financial Risk

The MAT is operating in a period of considerable financial uncertainty with regard to public funding and the effect of COVID-19. Financial planning is focused on maintaining the breadth and quality of future work in the context of diminishing budgets. Trustees have given due consideration to the risk associated with financial mismanagement and / or compliance failures. Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks. Regular and detailed monitoring gives opportunity for timely examination and intervention.

The direction of travel for national education funding has been difficult to predict. The overall view is taken that the strength of argument in support of increased funding will result in a funding increase in real terms. A reduction in pupil numbers would cause a significant impact on long term finances. Value for money checks take place during the year. DfE benchmarking data is used for comparison with other and similar schools/MATs.

The monthly financial management reporting should be accurate to the end of year position and direction of travel. If flawed this could lead to misrepresentation of a mid-year financial position on which management and future budget decisions could be made. Ongoing efforts are required to mitigate this risk. The introduction of PS Financials will improve budget reporting.

Reputational Risk

The continuing success of Swayne Park School and the building success of Glebe depends on maintaining the highest educational standards in order to continue to attract applicants in sufficient numbers. Trustees are clearly focused on monitoring and reviewing the achievement and success of students.

Trustees continue to give due consideration to other aspects of the school's activities where there could be a reputational risk, including discipline, safeguarding, Health and Safety etc., with policies reviewed regularly.

Safeguarding and Child Protection Risks

Trustees continue to ensure that the highest standards are maintained in the selection and monitoring of staff and volunteers. Governors also independently scrutinises the school's Single Central Record, the operation of child protection policies of the school, the training and support, to protect the young people in its care. There are staff specifically appointed with Child protection responsibilities. All staff receive refresher training annually. The vice Chair of each LGB is also the safeguarding Governor.

Significant Changes in Staff

Trustees continue to review and monitor arrangements for recruitment and the development of existing staff to minimise the risk resulting from major changes in key staff. Staff training and development has consistently provided opportunity for internal promotions. Staff are requested to advise of upcoming plans in advance. The Finance administrative structure shall be reviewed during 21/22

FUNDRAISING

Both schools within the MAT have Parent Associations who will carry out fundraising activities for the benefit the respective schools. At present Glebe have strong support. Support is weak at Swayne Park. A member of staff from each school acts as a liaison. Swayne Park School is used by a large number of local groups and clubs who pay for the use of facilities. This use provides an additional income stream and also further develops its links with the local Community. There is also some use of Glebe for this. Voluntary contributions to wider school life are sought from parents in Yr7. The Trust does not use any external fundraisers.

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Trust undertakes checks to ensure that external users of the school or fundraisers have the appropriate qualifications and experience for the activities being undertaken. DBS checks are required for certain activities eg swimming teachers. There was one complaint raised during the year, this did not involve any child protection issues.

PLANS FOR FUTURE PERIODS

All of the future plans reported last year have been put into place. The Trustees remain open to further expansion of the MAT but accept that this needs to be supported with Government support. There are no plans for further formal expansion of numbers in either of the Trust Schools. 6th form uptake will need to be prioritised. The Trust will continue to make CIF bids to help maintain the fabric of its schools. The Trust will continue to develop the quality of its Teaching and Learning at all levels.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The MAT does not hold any funds on behalf of other parties. It acts as an agent of the ESFA to distribute 6th form Bursary funds and Covid catch-up funds.

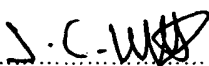
AUDITOR

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.

Members have confirmed that MHA will be re-appointed as auditors for the Trust. MHA MacIntyre Hudson have a record of providing effective help, opinion and formal examination of the MAT

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the Company Directors and signed on the Board's behalf by:


Jonathan Wincott
Chair of Trustees

Date: 10/12/21

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021

SCOPE OF RESPONSIBILITY

As Trustees we acknowledge we have overall responsibility for ensuring that Rayleigh Schools 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 DfE's Governance Handbook and competency framework for governance.

The Board of Trustees has delegated the day-to-day responsibility to the CEO/Headteacher 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 Rayleigh Schools 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 meetings of the Board of Trustees was as follows:

Full Trustees Board Attendance 2020 - 2021

	23 rd October 2020	11 th December 2020	12 th February 2021	26 th March 2021	27 th May 2021	9 th July 2021
Peter Hennessy	✓	✓	✓	✓	✓	✓
Keith Hudson	✓	✓	✓	✓	✓	✓
June Morgan	✓	✓	✓	✓	✓	✓
Jo Wincott Chair	✓	✓	✓	✓	✓	✓
Katharine Dines	✓	✓	✓	✓	✓	✓
Debbie Stokes	✓	✓	✓	✓	✓	X
Ceri Jones	✓	✓	✓	✓	✓	X
Clare Laidler	✓	✓	✓	✓	X	✓

Finance Asset Scrutiny Committee Attendance 2020 - 2021

	9 th October 2020	27 th November 2020	29 th January 2021	19 th March 2021	14 th May 2021	18 th June 2021
Peter Hennessy	✓	✓	✓	✓	✓	✓
Keith Hudson	✓	✓	✓	✓	✓	✓
June Morgan	✓	✓	✓	✓	✓	✓
Katharine Dines	✓	X	X	X	✓	✓

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021

The CEO Teaching and Learning Group had 6 meeting during the year. Reports from these meetings feature in CEO and Headteachers reports.

Trustees take the strategic overview of school operation and performance and inform the decision-making process. Their skills profile is used to provide rigour and challenge. The reporting period saw the new Chair of Trustees in position. The skills profile of the new Chair has allowed for a smooth transition and continuity in the role of the Trustees.

The Scheme of Delegation sets out the responsibilities at the different levels of Trust management and administration. This is reviewed annually.

Trustee Assets Finance, Scrutiny and Audit Committee is a sub-committee of the main Board of Trustees. It meets six times a year. Its purpose is to: monitor, evaluate and review school policy and practice in relation to financial planning and monitoring; to decide how to spend the General Annual Grant and other funds under the control of Trustees for the purposes of the Trust; to monitor and ensure compliance with DfE, EFA, Charity Commission and other relevant bodies and all relevant legal requirements in relation to the proper financial management of Trust; to agree limits of financial delegation; to ensure that full accounts are kept; to ensure appropriate insurance cover is in place; to receive monthly reports from the Chief Financial Officer, to report the Trust's financial position to the full Trustee Board each half term. The Trustee Assets Committee assumes the role of an Audit Committee. This role is further supported by regularity visits from the school's auditors. A teaching and learning group is run by the CEO with Trustees to deliver specific education based scrutiny to the running of Glebe Primary School. Education based scrutiny at Swayne Park School is undertaken by external education professionals.

The LGB continue to take an active part in the development of the school's and the formation of the MAT. Governor visits to the school take place on a regular basis. They inform the decision making process. Attendance is good and skill levels have been increasing with a greater ability to scrutinise and analyse information and statistics that are presented covering all aspects of the school operation. It should be noted that at Glebe primary there is a now a need to recruit additional members of the LGB. At all levels of Governance, an annual audit is carried out of skills and training requirements. LGB support packages are purchased. Professional clerking is provided to all formal meetings.

Each school has an LGB Committee that will focus on Finance and examination of all finance matters below the strategic view of the Trustees.

Data to inform Trustee and LGB considerations is provided by the staff within schools but external benchmarking is considered along with our independent Auditor opinion.

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021

REVIEW OF VALUE FOR MONEY

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

- Working with ECC to provide a new fully funded teaching accommodation block
- Remodelling office hours and not replaced where possible
- Making MAT savings by use of SPS premises team at Glebe
- Making CIF bids for larger capital projects
- Improving opportunities for CPD via Chipping Hill
- Closely monitoring Cleaning contract at Glebe and SPS provider given greater robustness to the service and cost saving
- Continuing to source ICT support with the Trust
- Reporting and reviewing the financial position on a monthly basis.
- Undertaking a review of all support staff grades
- Developing the use of specialist support staff for Pastoral support
- Maintaining links with other schools and agencies so the good practice can be shared
- Maximizing use of the schools for lettings
- Reviewing key performance indicators and benchmarked for education and administrative functions.

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 Rayleigh Schools Trust for the period 1st September 2020 to 31st 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 Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1st September 2020 to 31st 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.

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- regular reviews by the finance 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 Trustees have considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees engaged SBM, an independent schools finance services provider to perform focused checks on specific areas according to the Academies financial handbook. Their findings were presented to Trustees. This is supplemented by the work of the Trustees Assets committee and LGB's resources committees and at SPS the Finance working party.

SBM's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. In particular, the checks carried out in the current period included:

- Payroll
- Payroll Administration
- Salary Variance Monitoring
- Employment Status Validation
- Additional Payments
- Personnel Files
- Bank & Cash
- Bank Reconciliations
- Petty Cash
- Payment Authorisation
- Cash Flow Management

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021

REVIEW OF EFFECTIVENESS

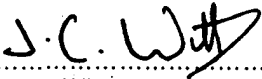
As Accounting Officer, the CEO has responsibility for reviewing the effectiveness of the system of internal control.

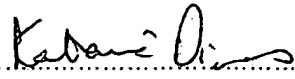
During the year in question the review has been informed by:

- the work of the SBM services
- the work of the external auditor
- the work of the Trustees and LGB
- the financial management and governance self-assessment process
- the work of the Trust finance staff who have responsibility for the development and management of financial issues.

The Accounting Officer has been advised of the implications of the result of their review of the systems of internal control to that ensure continuous improvement of the system is in place.

Approved by order of the Members of the Board of Trustees on and signed on its behalf by:


.....
Jonathan Wincott
Chair of Trustees


.....
Katharine Dines
Accounting Officer

Date: 10/12/21

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Rayleigh Schools Trust I have considered my responsibility to notify the Trust 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 Trust 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.



.....
Katharine Dines
Accounting Officer
Date: 10/12/2021

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021

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

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

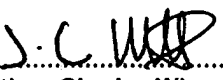
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the 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 and signed on its behalf by:


.....
Jonathan Charles Wincott
Chair of Trustees
Date: 10/12/21

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
RAYLEIGH SCHOOLS TRUST**

Opinion

We have audited the financial statements of Rayleigh Schools Trust (the 'Trust') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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 Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
RAYLEIGH SCHOOLS TRUST (CONTINUED)**

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

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

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

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
RAYLEIGH SCHOOLS TRUST (CONTINUED)**

Auditors' responsibilities for the audit of the financial statements

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

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

- Obtaining an understanding of the legal and regulatory frameworks that the entity operates in, focusing on those laws and regulations that had a direct effect on the financial statements;
- Enquiry of management to identify any instances of known or suspected instances of fraud;
- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management about any instances of non-compliance with laws and regulations;
- Reviewing the control systems in place and testing the effectiveness of the controls;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
RAYLEIGH SCHOOLS TRUST (CONTINUED)**

Use of our report

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



Cara Miller ACCA (Senior Statutory Auditor)
for and on behalf of
MHA MacIntyre Hudson
Statutory Auditors
Chelmsford, United Kingdom

Date: 16 December 2021

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO RAYLEIGH SCHOOLS TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 10 August 2020 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 Rayleigh Schools Trust during the year 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 Rayleigh Schools Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Rayleigh Schools 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 Rayleigh Schools Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Rayleigh Schools Trust's Accounting Officer and the Reporting Accountant

The Accounting Officer is responsible, under the requirements of Rayleigh Schools Trust's funding agreement with the Secretary of State for Education dated 27 March 2013 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 year 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.

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO RAYLEIGH SCHOOLS TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2020 to 2021 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

- reviewing the minutes of meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity;
- a review of the objectives and activities of the Trust, with reference to the income streams and other information available to us as auditors of the Trust;
- testing of a sample of payroll payments to staff;
- testing of a sample of payments to suppliers and other third parties;
- testing of a sample of grants received and other income streams;
- consideration of governance issues; and
- evaluating the internal control procedures and reporting lines, and testing as appropriate and making appropriate enquiries of the Internal Reviewer.

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 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.

MHA MacIntyre Hudson

Reporting Accountant
MHA MacIntyre Hudson
Statutory Auditors
Chelmsford, United Kingdom

Date: 16 December 2021

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	Unrestricted funds 2021 £	Restricted general funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:						
Donations and capital grants	4	57,949	-	112,160	170,109	416,335
Charitable activities	5	12,800	11,121,939	-	11,134,739	10,712,809
Other trading activities	6	103,354	-	-	103,354	155,761
Investments	7	137	-	-	137	978
Total income		174,240	11,121,939	112,160	11,408,339	11,285,883
Expenditure on:						
Charitable activities	9,10	333,799	11,582,501	302,339	12,218,639	11,837,680
Total expenditure	8	333,799	11,582,501	302,339	12,218,639	11,837,680
Net income/ (expenditure)		(159,559)	(460,562)	(190,179)	(810,300)	(551,797)
Transfers between funds	20	(19,964)	-	19,964	-	-
Net movement in funds before other recognised gains/(losses)		(179,523)	(460,562)	(170,215)	(810,300)	(551,797)
Actuarial (losses)/gains on defined benefit pension schemes	26	-	(22,000)	-	(22,000)	591,000
Net movement in funds		(179,523)	(482,562)	(170,215)	(832,300)	39,203
Reconciliation of funds:						
Total funds brought forward		450,557	(4,887,801)	15,915,813	11,478,569	11,439,366
Net movement in funds		(179,523)	(482,562)	(170,215)	(832,300)	39,203
Total funds carried forward		271,034	(5,370,363)	15,745,598	10,646,269	11,478,569

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

The notes on pages 31 to 62 form part of these financial statements.

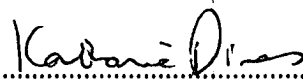
RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08401607

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	17		15,596,927		15,807,376
			<u>15,596,927</u>		<u>15,807,376</u>
Current assets					
Debtors	18	119,308		341,413	
Cash at bank and in hand	24	1,018,583		1,108,942	
		<u>1,137,891</u>		<u>1,450,355</u>	
Creditors: amounts falling due within one year	19	(597,549)		(763,162)	
Net current assets			<u>540,342</u>		<u>687,193</u>
Total assets less current liabilities			<u>16,137,269</u>		<u>16,494,569</u>
Defined benefit pension scheme liability	26	(5,491,000)		(5,016,000)	
Total net assets			<u>10,646,269</u>		<u>11,478,569</u>
Funds of the Trust					
Restricted funds:					
Restricted fixed asset funds	20	15,745,598		15,915,813	
Restricted general funds	20	120,637		128,199	
		<u>15,866,235</u>		<u>16,044,012</u>	
Restricted funds excluding pension liability	20	15,866,235		16,044,012	
Restricted general funds - pension reserve	20	(5,491,000)		(5,016,000)	
		<u>10,375,235</u>		<u>11,028,012</u>	
Total restricted funds	20		10,375,235		11,028,012
Unrestricted funds	20		271,034		450,557
Total funds			<u>10,646,269</u>		<u>11,478,569</u>

The financial statements on pages 28 to 62 were approved and authorised for issue by the Trustees and are signed on their behalf, by:


 Jonathan Charles Wincott
 Chair of Trustees
 Date: 10/12/21


 Katharine Dines
 Chief Executive Officer

The notes on pages 31 to 62 form part of these financial statements.

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash used in operating activities	22	(182,692)	(474,585)
Cash flows from investing activities	23	92,333	338,341
Change in cash and cash equivalents in the year		(90,359)	(136,244)
Cash and cash equivalents at the beginning of the year		1,108,942	1,245,186
Cash and cash equivalents at the end of the year	24, 25	1,018,583	1,108,942

The notes on pages 31 to 62 form part of these financial statements.

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. General information

Rayleigh Schools Trust is a company limited by guarantee, incorporated in England and Wales.

The address of the registered office and principal place of operation are detailed on page 1.

The nature of the Trust's operations and principal activity are detailed in the Trustees' Report.

2. 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.

2.1 Basis of preparation of financial statements

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

The financial statements are prepared in sterling which is the functional currency of the Trust and are rounded to the nearest pound.

2.2 Going concern

The Trustees have assessed the use of going concern and have considered possible events or conditions that might cast significant doubt on the ability of the Trust to continue as a going concern including the impact of COVID-19. The Trustees have made this assessment for a period of at least one year from the date of the approval of these financial statements. The Trustees have concluded that there is a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue as a going concern. The Trust therefore continues to adopt the going concern basis in preparing these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Accounting policies (continued)

2.3 Income

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

- **Grants**

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

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

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

- **Sponsorship income**

Sponsorship income provided to the Trust which amounts to a donation is recognised in the Statement of Financial Activities in the year in which it is receivable (where there are no performance-related conditions) where receipt is probable and it can be measured reliably.

- **Donations**

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

- **Other income**

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Accounting policies (continued)

2.4 Expenditure

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

2.5 Interest receivable

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

2.6 Taxation

The 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 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

2. Accounting policies (continued)

2.7 Tangible fixed assets

Assets costing £1,500 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 or restricted general funds, a transfer is made to the restricted fixed asset 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:

Leasehold property	- 14-50 years
Fixtures and fittings	- 5-125 years
Computer equipment	- 5 years

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.

2.8 Debtors

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

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 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 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Accounting policies (continued)

2.11 Provisions

Provisions are recognised when the 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.

2.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 18. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in Note 19. 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

2. Accounting policies (continued)

2.13 Pensions

The Trust operates two defined benefit pension schemes and the pension charge represents the amounts payable by the Trust to the fund in respect of the year.

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

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the 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 net income/(expenditure) are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

2.14 Agency arrangements

The Trust acts as an agent in distributing 16-19 Bursary Funds from the ESFA. Payments received from the 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 administration costs and this is recognised in the Statement of Financial Activities. Where funds have not been fully applied in the accounting period then the amounts due to the ESFA will be included within, Creditors: Amounts falling due within one year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Accounting policies (continued)

2.15 Fund accounting

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

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

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

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

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in Note 26, 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.

Critical areas of judgement:

The Trustees consider there to be no critical areas of judgement that effect the amounts recognised in these financial statements.

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

4. Income from donations and capital grants

	Unrestricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Donations	57,949	-	57,949
Capital grants	-	112,160	112,160
Total 2021	57,949	112,160	170,109

	<i>Unrestricted funds 2020 £</i>	<i>Restricted fixed asset funds 2020 £</i>	<i>Total funds 2020 £</i>
Donations	74,814	-	74,814
Capital grants	-	341,521	341,521
<i>Total 2020</i>	<i>74,814</i>	<i>341,521</i>	<i>416,335</i>

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

5. Charitable activities - Funding for the Trust's educational operations

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
DfE/ESFA grants			
General Annual Grant (GAG)	-	9,093,601	9,093,601
Other DfE/ESFA grants			
Pupil Premium	-	354,569	354,569
Teachers' Pay Grant	-	120,627	120,627
Teachers' Pension Grant	-	369,182	369,182
PE Sports Grant	-	12,530	12,530
Universal Infant Free School Meals	-	52,607	52,607
	-	10,003,116	10,003,116
Other Government grants			
Local Authority revenue grants	-	763,170	763,170
Other Government revenue grants	-	54,445	54,445
	-	817,615	817,615
Other income from the Trust's educational operations	12,800	71,879	84,679
COVID-19 additional funding (DfE/ESFA)			
Catch-up Premium	-	174,920	174,920
Other DfE/ESFA COVID-19 funding	-	10,969	10,969
	-	185,889	185,889
COVID-19 additional funding (non-DfE/ESFA)			
Mass testing	-	43,440	43,440
Total 2021	12,800	11,121,939	11,134,739

The Trust received £214,559 of funding for Catch-up Premium and costs incurred in respect of this funding totalled £174,920, with £39,639 being deferred into 2021/22. This balance is included with Note 19.

There are no unfulfilled conditions or other contingencies attached to the government grants above.

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

5. Charitable activities - Funding for the Trust's educational operations (continued)

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>
DfE/ESFA grants			
General Annual Grant (GAG)	-	8,765,808	8,765,808
Other DfE/ESFA grants			
Pupil Premium	-	356,818	356,818
Teachers' Pay Grant	-	121,648	121,648
Teachers' Pension Grant	-	372,061	372,061
PE Sports Grant	-	19,580	19,580
Universal Infant Free School Meals	-	59,836	59,836
	-	9,695,751	9,695,751
Other Government grants			
Local Authority revenue grants	-	602,957	602,957
Other Government revenue grants	-	48,737	48,737
	-	651,694	651,694
Other income from the Trust's educational operations	13,612	333,303	346,915
COVID-19 additional funding (DfE/ESFA)			
Other DfE/ESFA COVID-19 funding	-	18,449	18,449
Total 2020	13,612	10,699,197	10,712,809

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the Trust's funding for Teachers' Pay Grant, Teachers' Pension Grant, PE Sports Grant and Universal Infant Free School Meals is no longer reported under the Other DfE/ESFA revenue grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

6. Income from other trading activities

	Unrestricted funds 2021 £	Total funds 2021 £
Rental income	76,492	76,492
Receipts from supply teacher insurance claims	59	59
Risk protection arrangement claims	10	10
Income from services provided	21,103	21,103
Shop income	5,690	5,690
Total 2021	103,354	103,354

	Unrestricted funds 2020 £	Total funds 2020 £
Rental income	98,674	98,674
Receipts from supply teacher insurance claims	573	573
Income from services provided	47,203	47,203
Shop income	9,311	9,311
Total 2020	155,761	155,761

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

7. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £
Bank interest receivable	137	137

	Unrestricted funds 2020 £	Total funds 2020 £
Bank interest receivable	978	978

8. Total expenditure

	Staff costs 2021 £	Premises costs 2021 £	Other costs 2021 £	Total 2021 £
Educational operations:				
Direct costs	8,487,635	-	922,167	9,409,802
Support costs	1,397,111	789,193	622,533	2,808,837
Total 2021	9,884,746	789,193	1,544,700	12,218,639

	Staff costs 2020 £	Premises costs 2020 £	Other costs 2020 £	Total 2020 £
Educational operations:				
Direct costs	8,136,271	-	929,340	9,065,611
Support costs	1,211,736	788,177	772,156	2,772,069
Total 2020	9,348,007	788,177	1,701,496	11,837,680

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

9. Analysis of expenditure on charitable activities - by fund

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Educational operations	<u>333,799</u>	<u>11,884,840</u>	<u>12,218,639</u>

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Educational operations	<u>147,868</u>	<u>11,689,812</u>	<u>11,837,680</u>

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

10. Analysis of expenditure on charitable activities - by type

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Educational operations	9,409,802	2,808,837	12,218,639

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Educational operations	9,065,611	2,772,069	11,837,680

Analysis of support costs

	Total funds 2021 £	Total funds 2020 £
Defined benefit pension scheme finance costs	80,000	96,000
Support staff costs	1,317,111	1,115,736
Depreciation	230,413	236,725
Premises costs	789,193	788,177
Other costs	365,745	497,928
Governance costs	26,375	37,503
	2,808,837	2,772,069

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

11. Governance costs

	2021 £	2020 £
Auditor's remuneration - Audit of the financial statements	15,875	15,400
Auditor's remuneration - Other services	10,500	7,475
Professional fees	-	14,628
	<u>26,375</u>	<u>37,503</u>

12. Net expenditure

Net expenditure for the year includes:

	2021 £	2020 £
Operating lease rentals	129,924	129,645
Depreciation	230,413	236,725
Auditor's remuneration - Audit of the financial statements	15,875	15,400
Auditor's remuneration - Other services	10,500	7,475
	<u>286,712</u>	<u>490,245</u>

13. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	7,109,939	6,784,512
Social security costs	689,851	660,602
Pension costs	2,004,956	1,806,893
	<u>9,804,746</u>	<u>9,252,007</u>
Defined benefit pension scheme cost	80,000	96,000
	<u>9,884,746</u>	<u>9,348,007</u>

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

13. Staff (continued)

b. Staff numbers

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

	2021	2020
	No.	No.
Teachers	141	128
Administration and support	136	126
Management	14	17
	291	271

c. Higher paid staff

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

	2021	2020
	No.	No.
In the band £60,001 - £70,000	4	5
In the band £70,001 - £80,000	2	2
In the band £90,001 - £100,000	1	1

The above employees participated in both the Teachers' Pension Scheme and the Local Government Pension Scheme. During the year ended 31 August 2021 pension contributions for these staff members amounted to £123,175 (2020 - £133,845).

d. Key Management Personnel

The Key Management Personnel of the Trust comprise the Trustees and the Members of the Senior Management Team and other senior staff as listed on the Reference and Administrative Details page. 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 Trust was £922,862 (2020 - £985,264).

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

14. Central services

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

- ICT support services
- Premises team support
- HR support

The Trust charges for these services on the following basis:

Rayleigh Schools Trust charge an annual levy of 3% of expenditure at the time of budget setting for the forthcoming year. This charge is collected on a monthly basis. 3% was considered to be the appropriate minimum by consulted parties at the time of conversion but is subject to a review by the Trustees on an annual basis.

The actual amounts charged during the year were as follows:

	2021 £	2020 £
Glebe Primary School	103,194	61,184

15. Related Party Transaction - Trustees' remuneration and expenses

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

		2021 £	2020 £
K Dines, CEO and Accounting Officer	Remuneration	95,000 -	90,000 -
		100,000	95,000
	Pension contributions paid	20,000 -	20,000 -
		25,000	25,000

During the year ended 31 August 2021, no Trustee expenses have been incurred (2020 - £NIL).

16. Trustees' and Officers' insurance

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

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

17. Tangible fixed assets

	Long-term leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2020	17,270,100	102,017	95,951	17,468,068
Additions	-	19,964	-	19,964
Disposals	-	-	(25,376)	(25,376)
At 31 August 2021	17,270,100	121,981	70,575	17,462,656
Depreciation				
At 1 September 2020	1,498,962	65,779	95,951	1,660,692
Charge for the year	221,036	9,377	-	230,413
On disposals	-	-	(25,376)	(25,376)
At 31 August 2021	1,719,998	75,156	70,575	1,865,729
Net book value				
At 31 August 2021	15,550,102	46,825	-	15,596,927
At 31 August 2020	15,771,138	36,238	-	15,807,376

Included in long-term leasehold property is land at valuation of £6,334,000 (2020 - £6,334,000) which is not depreciated. The land valuation is comprised of land at Sweyne Park School of £4,084,000 (2020 - £4,084,000) and land at Glebe Primary School of £2,250,000 (2020 - £2,250,000).

The leasehold property at the Sweyne Park School site was valued as at 31 March 2014 by Mouchel, a RICS registered valuer using the Depreciated Replacement Cost Method. The leasehold property at the Glebe Primary School site was revalued as at 31 August 2018 by Montagu Evans, a RICS registered valuer using the Depreciated Replacement Cost Method. This revaluation has caused the revaluation to long-term leasehold property shown above.

The freehold relating to the above leasehold property is held by Essex County Council. The Trust holds a 125 year lease on a peppercorn rent from 1 April 2013 at Sweyne Park School and 1 October 2017 at Glebe Primary School.

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

18. Debtors

	2021 £	2020 £
Due within one year		
Other debtors	63,784	44,894
Prepayments and accrued income	55,524	296,519
	<u>119,308</u>	<u>341,413</u>

19. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	45,559	49,795
Other taxation and social security	172,770	157,525
Other creditors	214,715	194,371
Accruals and deferred income	164,505	361,471
	<u>597,549</u>	<u>763,162</u>

	2021 £	2020 £
Deferred income		
Deferred income at 1 September	71,319	131,887
Resources deferred during the year	107,864	71,319
Amounts released from previous periods	(71,319)	(131,887)
Deferred income at 31 August	<u>107,864</u>	<u>71,319</u>

At the Balance Sheet date the Trust was holding funds received in advance for:

- Funds received in advance from the ESFA for the 2021/22 academic year.
- Funds received in advance for Local Authority RBHIS Top Up funding for the 2021/22 academic year.
- Funds received in advance for Universal Infant Free School Meals (UIFSM) for the 2021/22 academic year.
- Funds received in advance from the ESFA for Catch-up Premium for the 2021/22 academic year.

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

20. Statement of funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
General funds	370,238	174,240	(253,480)	(19,964)	-	271,034
Projects and initiatives fund	80,319	-	(80,319)	-	-	-
	<u>450,557</u>	<u>174,240</u>	<u>(333,799)</u>	<u>(19,964)</u>	<u>-</u>	<u>271,034</u>
Restricted general funds						
General Annual Grant (GAG)	128,199	9,093,601	(9,101,163)	-	-	120,637
Pupil Premium	-	354,569	(354,569)	-	-	-
Other DfE / ESFA revenue grants	-	554,946	(554,946)	-	-	-
Local Authority revenue grants	-	763,170	(763,170)	-	-	-
Other Government revenue grants	-	54,445	(54,445)	-	-	-
Other Educational income	-	71,879	(71,879)	-	-	-
Exceptional Government funding	-	229,329	(229,329)	-	-	-
Pension reserve	(5,016,000)	-	(453,000)	-	(22,000)	(5,491,000)
	<u>(4,887,801)</u>	<u>11,121,939</u>	<u>(11,582,501)</u>	<u>-</u>	<u>(22,000)</u>	<u>(5,370,363)</u>
Restricted fixed asset funds						
NBV of fixed assets	15,807,376	-	(230,413)	19,964	-	15,596,927
DfE / ESFA capital grants	108,437	112,160	(71,926)	-	-	148,671
	<u>15,915,813</u>	<u>112,160</u>	<u>(302,339)</u>	<u>19,964</u>	<u>-</u>	<u>15,745,598</u>
Total Restricted funds	<u>11,028,012</u>	<u>11,234,099</u>	<u>(11,884,840)</u>	<u>19,964</u>	<u>(22,000)</u>	<u>10,375,235</u>
Total funds	<u><u>11,478,569</u></u>	<u><u>11,408,339</u></u>	<u><u>(12,218,639)</u></u>	<u><u>-</u></u>	<u><u>(22,000)</u></u>	<u><u>10,646,269</u></u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

20. Statement of funds (continued)

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

The General fund has been created to recognise the incoming and outgoing resources in respect of activities undertaken by the Trust which fall outside the scope of its core activities. During the year, £19,964 was transferred to the NBV of fixed assets fund which represents capital purchases made using these funds.

The General Annual Grant (GAG) represents the core funding for the educational activities of the school that has been provided to the Trust via the Education and Skills Funding Agency (ESFA) by the Department for Education (DfE). The GAG fund has been set up because the GAG must be used for the normal running costs of the Trust.

The Pupil Premium fund has been established to recognise the restricted funding from the ESFA to raise the attainment of disadvantaged pupils and close the gap between them and their peers.

The Other DfE / ESFA revenue grants fund represents a variety of other grant incomes that are received from the ESFA that fall outside of the core funding of the Trust.

The Local Authority revenue grants fund has been set up to recognise the income received from Essex County Council as a contribution towards the cost of the Trust's revenue expenditure.

The Other Government grants fund has been established to recognise grants from Government bodies other than the DfE/ESFA and Local Authorities that fall outside the scope of core funding.

The Other educational income fund has been established to recognise all other restricted funding that cannot be classified above but fall outside the scope of its core activities.

The Exceptional Government funding has been set up in response to the ongoing pandemic.

The LGPS deficit (pension reserve) fund has been created to separately identify the pension deficit inherited from the Local Authority upon conversion to Academy Trust status, and through which all the pension scheme movements are recognised.

The NBV of fixed assets fund has been set up to recognise the tangible assets held by the Trust and is equivalent to the net book value of tangible fixed assets. Depreciation of tangible fixed assets is allocated to this fund. As tangible fixed assets are purchased from other funds, a transfer is made into this fund.

The DfE/ESFA capital grants fund has been created to recognise capital grants received from the ESFA and the DfE. Capital grants spent on capital expenditure are shown as a transfer within the Restricted fixed asset fund between the Capital grants fund and the NBV of fixed assets fund. Capital grants spent on revenue expenditure are shown as expenditure within the Capital grants fund. Capital grants received and receivable, but not yet spent, are held as current assets within the Restricted fixed assets fund.

The Projects and initiatives fund is overseen by the CEO and used as deemed appropriate.

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

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

20. Statement of funds (continued)

Total funds analysis by Academy

Fund balances at 31 August 2021 were allocated as follows:

	2021	2020
	£	£
Sweyne Park School	230,276	323,642
Glebe Primary School	147,646	255,114
Rayleigh Schools Trust	13,749	-
Total before fixed asset funds and pension reserve	391,671	578,756
Restricted fixed asset fund	15,745,598	15,915,813
Pension reserve	(5,491,000)	(5,016,000)
Total	10,646,269	11,478,569

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

20. Statement of funds (continued)

Total cost analysis by Academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2021 £
Sweyne Park School	6,849,514	971,585	727,880	873,589	9,422,568
Glebe Primary School	1,638,121	425,526	194,287	307,724	2,565,658
Trust	8,487,635	1,397,111	922,167	1,181,313	11,988,226

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2020 £
Sweyne Park School	6,598,648	822,516	718,892	849,224	8,989,280
Glebe Primary School	1,537,623	389,220	210,448	474,384	2,611,675
Trust	8,136,271	1,211,736	929,340	1,323,608	11,600,955

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

20. Statement of funds (continued)

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

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2020 £</i>
Unrestricted funds						
General funds	265,818	245,165	(132,187)	(8,558)	-	370,238
Projects and initiatives fund	96,000	-	(15,681)	-	-	80,319
	<u>361,818</u>	<u>245,165</u>	<u>(147,868)</u>	<u>(8,558)</u>	<u>-</u>	<u>450,557</u>
Restricted general funds						
General Annual Grant (GAG)	209,982	8,765,808	(8,847,591)	-	-	128,199
Pupil Premium	-	356,818	(356,818)	-	-	-
Other DfE / ESFA revenue grants	-	573,125	(573,125)	-	-	-
Local Authority revenue grants	-	602,957	(602,957)	-	-	-
Other Government revenue grants	-	48,737	(48,737)	-	-	-
Other Educational income	-	333,303	(333,303)	-	-	-
Exceptional Government funding	-	18,449	(18,449)	-	-	-
Pension reserve	(5,245,000)	-	(362,000)	-	591,000	(5,016,000)
	<u>(5,035,018)</u>	<u>10,699,197</u>	<u>(11,142,980)</u>	<u>-</u>	<u>591,000</u>	<u>(4,887,801)</u>
Restricted fixed asset funds						
NBV of fixed assets	16,039,943	-	(236,725)	4,158	-	15,807,376
DfE / ESFA capital grants	72,623	341,521	(310,107)	4,400	-	108,437
	<u>16,112,566</u>	<u>341,521</u>	<u>(546,832)</u>	<u>8,558</u>	<u>-</u>	<u>15,915,813</u>
Total Restricted funds	<u>11,077,548</u>	<u>11,040,718</u>	<u>(11,689,812)</u>	<u>8,558</u>	<u>591,000</u>	<u>11,028,012</u>
Total funds	<u><u>11,439,366</u></u>	<u><u>11,285,883</u></u>	<u><u>(11,837,680)</u></u>	<u><u>-</u></u>	<u><u>591,000</u></u>	<u><u>11,478,569</u></u>

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted general funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	15,596,927	15,596,927
Current assets	929,583	120,637	148,671	1,198,891
Creditors due within one year	(658,549)	-	-	(658,549)
Defined benefit pension scheme liability	-	(5,491,000)	-	(5,491,000)
Total	271,034	(5,370,363)	15,745,598	10,646,269

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted general funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	15,807,376	15,807,376
Current assets	1,213,719	128,199	108,437	1,450,355
Creditors due within one year	(763,162)	-	-	(763,162)
Defined benefit pension scheme liability	-	(5,016,000)	-	(5,016,000)
Total	450,557	(4,887,801)	15,915,813	11,478,569

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

22. Reconciliation of net expenditure to net cash flow from operating activities

		2021 £	2020 £
Net expenditure for the year (as per Statement of Financial Activities)		(810,300)	(551,797)
Adjustments for:			
Depreciation charges	17	230,413	236,725
Capital grants from DfE/ESFA and other capital income	4	(112,160)	(341,521)
Investment income	7	(137)	(978)
Defined benefit pension scheme cost less contributions payable	26	373,000	266,000
Defined benefit pension scheme finance cost	26	80,000	96,000
Decrease/(Increase) in debtors	18	222,105	(70,143)
Decrease in creditors	19	(165,613)	(108,871)
Net cash used in operating activities		(182,692)	(474,585)

23. Cash flows from investing activities

		2021 £	2020 £
Investment income	7	137	978
Purchase of tangible fixed assets	17	(19,964)	(4,158)
Capital grants from DfE/ESFA and other capital income	4	112,160	341,521
Net cash provided by investing activities		92,333	338,341

24. Analysis of cash and cash equivalents

		2021 £	2020 £
Cash at bank and in hand		1,018,583	1,108,942
Total cash and cash equivalents		1,018,583	1,108,942

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

25. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	1,108,942	(90,359)	1,018,583
	<u>1,108,942</u>	<u>(90,359)</u>	<u>1,018,583</u>

26. Pension commitments

The 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 Essex County Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £191,165 were payable to the schemes at 31 August 2021 (2020 - £141,348) and are included within creditors.

Teachers' Pension Scheme

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

26. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £1,255,000 (2020 - £1,220,000).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The 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 £468,000 (2020 - £397,000), of which employer's contributions totalled £377,000 (2020 - £319,000) and employees' contributions totalled £91,000 (2020 - £78,000). The agreed contribution rates for future years are 25.0 per cent for employers and 5.5 to 12.5 per cent for employees.

As described in Note 2.13 the LGPS obligation relates to the employees of the Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Trust at the Balance Sheet date.

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

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

26. Pension commitments (continued)

Principal actuarial assumptions

	2021	2020
	%	%
Rate of increase in salaries	3.90	3.30
Rate of increase for pensions in payment/inflation	2.90	2.30
Discount rate for scheme liabilities	1.65	1.60
Inflation assumption (CPI)	2.90	2.30
Inflation assumption (RPI)	3.20	3.10

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

	2021	2020
	Years	Years
Retiring today		
Males	21.6	21.8
Females	23.6	23.8
Retiring in 20 years		
Males	22.9	23.2
Females	25.1	25.2

Sensitivity analysis

	2021	2020
	£000	£000
Discount rate +0.1%	(247)	(206)
Discount rate -0.1%	253	210
Mortality assumption - 1 year increase	443	340
Mortality assumption - 1 year decrease	(426)	(328)

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

26. Pension commitments (continued)

Share of scheme assets

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

	2021 £	2020 £
Equities	3,549,000	2,588,000
Gilts	140,000	179,000
Other bonds	258,000	234,000
Property	387,000	325,000
Cash	154,000	113,000
Alternative assets	616,000	485,000
Other managed funds	441,000	254,000
Total market value of assets	5,545,000	4,178,000

The actual return on scheme assets was £1,003,000 (2020 - £87,000).

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

	2021 £	2020 £
Current service cost	(750,000)	(585,000)
Interest income	67,000	59,000
Interest cost	(147,000)	(155,000)
Total amount recognised in the Statement of Financial Activities	(830,000)	(681,000)

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

	2021 £	2020 £
At 1 September	9,194,000	8,364,000
Current service cost	750,000	585,000
Interest cost	147,000	155,000
Employee contributions	91,000	78,000
Actuarial losses	955,000	40,000
Benefits paid	(101,000)	(28,000)
At 31 August	11,036,000	9,194,000

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

26. Pension commitments (continued)

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

	2021 £	2020 £
At 1 September	4,178,000	3,119,000
Interest income	67,000	59,000
Actuarial gains	933,000	631,000
Employer contributions	377,000	319,000
Employee contributions	91,000	78,000
Benefits paid	(101,000)	(28,000)
At 31 August	5,545,000	4,178,000

Reconciliation of opening to closing defined benefit pension scheme liability

	2021 £	2020 £
Balance brought forward at 1 September	5,016,000	5,245,000
Defined benefit pension scheme cost less contributions payable	373,000	266,000
Defined benefit pension scheme finance cost	80,000	96,000
Actuarial losses / (gains)	22,000	(591,000)
Balance carried forward at 31 August	5,491,000	5,016,000

Amounts recognised in the Balance Sheet are as follows:

	2021 £	2020 £
Present value of the defined benefit obligation	(11,036,000)	(9,194,000)
Fair value of scheme assets	5,545,000	4,178,000
	(5,491,000)	(5,016,000)

RAYLEIGH SCHOOLS TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

27. Operating lease commitments

At 31 August 2021 the Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Within 1 year	6,607	129,924
Between 1 and 5 years	12,040	15,332
	<u>18,647</u>	<u>145,256</u>

28. 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.

29. Related party transactions

Simon Smith, the company secretary and also the Learning Environment Leader, is a Member of Rochford District Council. During the year ended 31 August 2021 the Trust was invoiced £37,371 (2020 - £37,131) by Rochford District Council, a district council with regards to council rates for the year. The services are in accordance with the Trust's financial regulations and standard procurement procedures. There was a no balance (2020 - £NIL) outstanding at 31 August 2021 in respect of these transactions.

Lynda Walker, Chair of Sweyne Park Local Governing Body (LGB), is a Trustee of Rochford District Schools Partnership Trust, being the representative for this Trust. During the year ended 31 August 2021 the Trust was invoiced £8,000 (2020 - £NIL) by Rochford District Schools Partnership Trust, a charitable Trust which provides support for children in local schools through the provision of support services which are provided at cost and Lynda Walker derives no personal benefit. The services are in accordance with the Trust's financial regulations and standard procurement procedures. There was no balance (2020 - £NIL) outstanding at 31 August 2021 in respect of these transactions.

30. Agency arrangements

The Trust administers the distributions of the discretionary support for learners, 16-19 Bursary Funds, on behalf of the ESFA. During the year the Trust received funds of £15,529 (2020 - £20,705) and disbursed £14,029 (2020 - £18,999). £1,500 (2020 - £705) was retained to cover administration expenses and therefore a balance of £NIL (2020 - £1,001) relating to undistributed funds is repayable to the ESFA as at the Balance Sheet date and is included within Creditors: Amounts falling due within one year.