
ROYAL SCHOOL FOR THE DEAF DERBY
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

ROYAL SCHOOL FOR THE DEAF DERBY
(A Company Limited by Guarantee)

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ROYAL SCHOOL FOR THE DEAF DERBY
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2020**

Trustees

Mr D C du Celliee Muller
M J H Richardson
Mr J A B Ottewell
Mr A M L Passmore
Mr D E Bulger
Mr C Crowley

Company registered number

03367515

Charity registered number

1062507

Registered office

180 Ashbourne Road
Derby
DE22 3BH

Company secretary

Miss H N Radford

Independent auditors

Bates Weston Audit Ltd
Statutory Auditors
Chartered Accountants
The Mills
Canal Street
Derby
DE1 2RJ

Bankers

HSBC Bank Plc
1 St Peter's Street
Derby
DE1 2AE

ROYAL SCHOOL FOR THE DEAF DERBY
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees present their annual report together with the audited financial statements for the year 1 September 2019 to 31 August 2020. The Trustees confirm that the Annual Report and financial statements of the company comply with current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

OBJECTIVES AND ACTIVITIES

Policies and objectives

The main objective of the charitable company is to promote the relief of children and young people who are deaf or whose hearing or speech is impaired, by furthering their education.

Strategies for achieving objectives

Accordingly, the charitable company is dedicated to the operation of an effective special school for deaf children and young people.

Activities for achieving objectives

Curriculum design which places the progress and experiences of children at the heart of everyday practice.

A clear vision for children and young people to:

- Have confidence in developing their own deaf identity and their sense of belonging;
- Feel safe, happy and cared for in an environment where all children are listened to, can express their views and are understood whatever their preferred communication;
- Be challenged to achieve their best through excellent teaching, a comprehensive curriculum and a wide variety of experiences from Early Years to 16 Plus;
- Work in an environment that encourages lifelong learning, and equips children and young people with the tools and skills to achieve;
- Be tolerant and inclusive, so all children and young people are able to build effective relationships based on empathy, friendship and respect;
- Have access to excellent communication support.

MAIN ACTIVITIES UNDERTAKEN TO FURTHER THE CHARITY'S PURPOSES FOR THE PUBLIC BENEFIT

The trustees confirm that they have paid due regard to the Charity Commission's guidance on public benefit, including the guidance contained in the document 'Public Benefit: Running a Charity (PB2)'.

ACHIEVEMENTS AND PERFORMANCE

Review of activities

The School continues to accelerate towards its goal to be the best provider of education and care for deaf children and young people. In March Ofsted Education judged the school as a solid good with elements of outstanding practice. More recently Ofsted Care judged the school to be outstanding across all inspection headings. Safeguarding was noted as a strength of the School, the promotion of independence rated as exceptional and worthy of wider dissemination.

ROYAL SCHOOL FOR THE DEAF DERBY
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Restricted and designated funds provided opportunities to realise the wishes of children and young people for a contemporary space to live and learn in. Grants to upgrade IT facilities, build an outdoor multi use games area and educational visits to Europe had a positive, significant impact upon the experiences of learners and their life chances. Grants specifically aimed at ensuring the campus remains safe, fit for purpose and up-to-date helped towards essential repairs to the roof and improvements to the provision of facilities.

Children and Young people from relatively disadvantaged socio economic groups enjoyed Pupil Premium funding. Interventions were deliberately focused on individual need and circumstance and designed to complement each other. As a result learners:

- Participated in individual programmes of therapy improving their engagement in teaching and learning;
- Enjoyed additional resources to sustain good progress in English through guided reading and accelerated reading initiatives;
- Took part in a greater range of wider life experiences they might ordinarily find difficult to access, and enhanced their vocabulary and emotional literacy at the same time;
- Made a steady improvement in progressing their maths skills through a number of pre-teaching strategies such as one to one support and activities aimed at creating a problem solving culture across the school.

Primary Department used their PE and Sports Premium funding to enhance the scope and meaning of the curriculum for all pupils. Outcomes were measurable across all key conditions of the grant including:

- Swimming and water safety, including the use of a therapy pool for children who have additional needs that impact on their ability to swim;
- Above the minimum participation in physical activities throughout the school day including, cycling, dance, gymnastics and booster swimming sessions;
- Raising the profile of PE and sport across the school as a tool for whole school. This included twelve children from years five and six taking part in a Derby City Community Trust pilot scheme to help children manage stress and anxiety through improving confidence and self- esteem;
- Building the confidence, knowledge and skills of all staff teaching PE and sport;
- Offering a broader experience of a range of sports and activities to pupils including those with complex special educational needs and gifted and talented children. This year residential opportunities at Dukes Barn successfully challenged children of all abilities to canoe and rock climb;
- Participation in both specialist and mainstream competitions including those offered by Panathlon

This year Sudbury Museum of Childhood joined the School's extended 125th birthday celebrations with an exhibition narrating the experiences of deaf children since the School was established to the present day. New opportunities for young people to gain paid employment arose through Project Search working in partnership with Derby and Burton Hospitals Trust. Collaboration with the wider business community helped rejuvenate the Primary playground areas, deliver bespoke employability advice and enhance teaching and learning through funding whole school activities linked to the curriculum.

FINANCIAL REVIEW

Trustees are reassured to see the School maintain a better than break even position each year and delighted to see a healthy surplus carried forward from this year into the next financial year. Current reserves, improved fee income, outstanding results from key regulators, a fairer fee structure, a qualified, competent, confident staff team and relentless focus on the quality of provision are driving financial sustainability.

The number of requests for pupil placements are increasing as trust and confidence in the School grows. Prospective pupil visits and assessments from new placing authorities are widening the scope of the provision, adding to the number of commissioning authorities. Continuous refinement to the assessment of a pupil's need by a range of in-house experts provides a robust rationale for individualised placement fees adding transparency to the fee structure and enabling the School to deliver the best outcomes for each learner.

ROYAL SCHOOL FOR THE DEAF DERBY
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Fee income and staff expenditure remain the two key financial indicators. A fraction of the rise in employment costs and liabilities this year have been offset by grants towards unanticipated rises set out in the School Teachers Pay and Conditions Document. Uplifts to the national minimum wage and the wider children's workforce accurately budgeted for. Trustees are pleased to see a slight underspend overall though note grants available in the year and next year, especially those towards teacher pay and pension rises, are time limited.

Essential campus repairs and routine maintenance represent substantial costs. Grants towards the ongoing maintenance of the premises were used effectively to offset planned expenditure on roof repairs however unforeseeable emergency repairs to water and fire systems led to significant variances in the budget in the year. A programme of capital expenditure projects phased over a five year period is in place with priority projects determined by a comprehensive analysis of risk and mitigation to help plan ahead.

After careful consideration a reserves policy is in practice and a reserves target in place. The policy takes a reflexive approach to help balance the need to both spend and save money. Excellent progress towards reaching the target amount is apparent this year. Contributions to reserves are reviewed annually in light of audited accounts.

As an educational charity the school is unable to reclaim VAT input tax on our costs as we are exempt for tax purposes. We also pay tax as an employer through the national insurance contributions we make

GOING CONCERN

After making appropriate enquiries, the trustees reasonably expect the Charity has sufficient resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

PRINCIPAL FUNDING

Pupil fees received from the Education and Skills Funding Agency and Local Authorities represent the largest part of incoming resources. In the year to 31 August 2020 this amounted to 90% of total incoming resources.

RESERVES AND INVESTMENT POLICIES

The unrestricted funds shown on the balance sheet at the year end represent the free reserves of the charitable company. The trustees are pleased to see continued growth in the free reserves this year. Trustees acknowledge this trend must continue to enable the School to respond independently to material fluctuations in its operating commitments but are aware that the RSDD 2016 Property Trust holds more than sufficient reserves for this purpose.

Last year trustees stated their aim to reach £0.9m - £1.3m in reserves. Rapid progress made this year in meeting target levels. Total reserves are £1,432,132 of which fixed assets are £571,921. Of the remaining £860,211, £29,705 relates to restricted fund

Trustees follow a policy of maintaining the investment of the charity in readily realisable, low risk cash products. Investments are held in accordance with the trustees' powers and investment & reserves policies are reviewed annually in conjunction with the appointed investment managers.

ROYAL SCHOOL FOR THE DEAF DERBY
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The charitable company is a company limited by guarantee, governed by its Memorandum and Articles of Association and a Board of Governors. The Governors operate subject to a Scheme of Delegation approved by Trustees.

The charitable company operates Royal School for the Deaf Derby, a non maintained special school approved for the education of deaf and hearing impaired pupils aged 3 to 19.

Method of appointment or election of Trustees

The trustees of the charitable company constitute directors for Companies Act purposes. One third of trustees retire by rotation annually and may also be reappointed. The charitable company may otherwise by ordinary resolution appoint a trustee to either fill a casual vacancy or as an additional trustee. Appointment of additional trustees is subject to the unanimous approval of existing trustees who may seek out or advertise for additions to their number in order to enhance the skills and diversity of their Board.

The board of governors takes a strategic view of the school's policies and objectives. Progress and achievement in key functional and operational areas are subject to more detailed monitoring and evaluation by governors' committees that meet at least once per academic term. Discrete committees meet in addition to full board meetings and have responsibilities under the following headings:

- Resources (including Finance, Human Resources, Premises and Health & Safety)
- Pupil Wellbeing & Attainment

In addition to governor representation at these meetings, the chair of the governing body is invited to attend all trustee meetings. As well as general responsibilities, each governor is expected to have or adopt an area of special interest relevant to the school's operation and new governor recruitment is focused on the specialisms needed. The complement of the governing body is subject to annual ratification by trustees. The governors may co opt additional members to enhance any of the committee's capabilities. New governors benefit from an induction process, are encouraged to access training and support through the Derby City governor programme and development sessions provided by the School's Improvement Officer tailored to the Governing Body's strategic plans and the regulatory framework.

Organisational structure and decision making

Responsibility for the day to day organisation, management and control of the school lies with its senior leadership team (SLT) led by the Headteacher and is made up of a Deputy Headteacher Achievement, Deputy Head Care & Guidance and Assistant Headteacher Early Years Foundation Stage/Primary. Staffing budgets are devolved to members of the SLT as set out in their role specifications. The Headteacher has overall responsibility for managing the SLT and the running of the school. The performance management of the Headteacher is conducted by a specialist consultant together with the chair of the governing body. The performance management of other members of the leadership team is the responsibility of the Headteacher. Pay for members of the senior leadership team has been set on the advice of an external consultant, having reference to the School Teachers' Pay and Conditions Document England & Wales. The pay of teaching staff is set by reference to the same Document and the pay of non teaching staff ordinarily determined by reference to the Pay scales and Allowances of the National Joint Council for Local Government Services together with practice in the sector. In all cases pay is tied to performance through performance management activities.

ROYAL SCHOOL FOR THE DEAF DERBY
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

RISK MANAGEMENT

Governors and Trustees review the risks facing the school by taking on the role of critical friends, monitoring income and expenditure, movements in restricted funds, cash flow forecasts, key financial indicators, annual budgets, School self-assessment plans, pupil wellbeing and attainment. An at a glance overview is available to trustees via a balanced scorecard which provides a comprehensive overview of performance. Individual governors are assigned to scrutinise and report on particular operational risk areas through the Committees listed above.

Last year, under the heading of Future Developments, Trustees said they intended to discuss and agree an approach to reserves capable of mitigating known risks and adding momentum to the school's ambition to become a leader in the field of deaf education. Squaring these two priorities was a challenge but proved do-able. A policy is now in place and in practice.

Health and Safety issues are a permanent feature of the Resources Committee Agenda. The declaration of any conflicts of interest is required before the start of all Trustee, Governor and Committee meetings.

Any material safeguarding issues are notified at all trustee and governing body meetings and initially reviewed in detail by the Pupil Wellbeing Committee. There is a safeguarding team comprised of qualified and competent members of school staff, led by the Deputy Head Care & Guidance who is the Designated Safeguarding Lead. Safeguarding policy and practice is scrutinised by a dedicated safeguarding governor. Governors ensure that one of their number always acts as Safeguarding Governor and receives appropriate training.

The financial well being of the organisation is intimately tied to the maintenance and development of pupil numbers at suitable fee levels. The Headteacher and Finance Committee are required to pay particular attention to this need.

The school is a member of the National Association of Special Schools, a body representing the interests of non maintained and independent special schools. It also works closely with Derby City Council in addressing issues of mutual interest in the arena of the provision and development of special education for deaf learners.

PLANS FOR FUTURE PERIODS

Future developments

The next milestone in the School's aspiration to be an outstanding provider is to mirror the Ofsted Care judgement at its next Ofsted Education visit. A renewed regulatory framework placing the learner at the heart of everyday practice puts the school in a prime position to achieve this goal. Fine tuning the curriculum to ensure it meets and wherever possible exceeds stakeholder expectations together with a continuing drive to improve the quality of teaching and learning are crucial. Ensuring measurable success criteria by which the Governing Body can accurately measure success of senior leaders, a whole school focus on driving up literacy in particular reading and giving children and young people with complex needs the confidence and know-how to manage their own behaviour are also areas for development. A whole school wellbeing initiative was launched in September 2019 in a bid to gain formal accreditation and mark the School's commitment to staff and learner wellbeing.

Restricted and designated funds continue to enhance the experiences of children and young people adding value for money to placement fees at no additional cost to placing partners. Trips to other European countries are organised. Germany is the next destination following successful trips to France and Norway in previous years. Collaboration with local businesses to exploit opportunities for children and young people to enjoy and achieve continue. Funds towards delivering activity days based on curriculum subjects including IT, independent living skills, wellbeing and problem solving are timetabled over the academic year. The School is excited to learn a children's book telling the story of RSD Derby is soon to be published.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Planned improvements to the campus led by student councils and those pinpointed by a capital expenditure plan include modernisation of the toilets in secondary school, a major chunk of roof repair, maintenance of paths and upgrading IT hardware now the underpinning infrastructure is in place. A rolling programme of redecoration and refurbishment reflects the wishes of children and young people for a modern environment. The A38 Junctions Improvement Scheme will also impact on the campus. The school is determined to ensure children's wishes to keep their leafy green campus are represented together with their insistence on an environmentally friendly eco-boundary.

Wider debates about the future provision for pupils with Special Educational Needs and Disabilities (SEND) have yet to reach consensus. The School welcomes the opportunity to participate in discussions through the National Association of Special Schools. Royal School for the Deaf Derby is heartened by the findings of the National Audit Office report on support for pupils with SEND (11 September 2019) which evidences increased spend on children and young people with SEND flows directly from an increased number of places needed, not poor value for money. The report also highlights the need to work together to share expertise. This is exactly what the School is doing and plans to do more of in the year ahead.

Trustees' responsibilities statement

The Trustees (who are also directors of Royal School for the Deaf Derby for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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.

ROYAL SCHOOL FOR THE DEAF DERBY
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

This report was approved by the Trustees and signed on their behalf by:

Mr J A B Ottewell

Date: 27 January 2021

ROYAL SCHOOL FOR THE DEAF DERBY
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROYAL SCHOOL FOR THE DEAF DERBY

Opinion

We have audited the financial statements of Royal School for the Deaf Derby (the 'charity') for the year ended 31 August 2020 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 and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 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.

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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

ROYAL SCHOOL FOR THE DEAF DERBY
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROYAL SCHOOL FOR THE DEAF DERBY
(CONTINUED)

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

ROYAL SCHOOL FOR THE DEAF DERBY
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROYAL SCHOOL FOR THE DEAF DERBY
(CONTINUED)

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Wayne Thomas ACA (Senior Statutory Auditor)

for and on behalf of

Bates Weston Audit Ltd

Statutory Auditors

Chartered Accountants

The Mills

Canal Street

Derby

DE1 2RJ

9 February 2021

ROYAL SCHOOL FOR THE DEAF DERBY
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:					
Donations and legacies	2	156,556	118,122	274,678	404,995
Charitable activities	3	4,224,686	-	4,224,686	3,946,535
Other income		7,460	-	7,460	9,320
Total income		4,388,702	118,122	4,506,824	4,360,850
Expenditure on:					
Charitable activities	4	3,967,315	113,694	4,081,009	4,166,234
Total expenditure		3,967,315	113,694	4,081,009	4,166,234
Net income		421,387	4,428	425,815	194,616
Transfers between funds	13	619	(619)	-	-
Net movement in funds		422,006	3,809	425,815	194,616
Reconciliation of funds:					
Total funds brought forward		615,352	390,965	1,006,317	811,701
Net movement in funds		422,006	3,809	425,815	194,616
Total funds carried forward		1,037,358	394,774	1,432,132	1,006,317

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

The notes on pages 15 to 30 form part of these financial statements.

ROYAL SCHOOL FOR THE DEAF DERBY
(A Company Limited by Guarantee)
REGISTERED NUMBER: 03367515

BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	8	571,921	606,443
Investments	9	607,698	-
		<u>1,179,619</u>	<u>606,443</u>
Current assets			
Debtors	10	294,971	124,807
Investments	11	201,144	546,800
Cash at bank and in hand		289,075	404,729
		<u>785,190</u>	<u>1,076,336</u>
Creditors: amounts falling due within one year	12	(532,677)	(676,462)
Net current assets		<u>252,513</u>	<u>399,874</u>
Total net assets		<u><u>1,432,132</u></u>	<u><u>1,006,317</u></u>
Charity funds			
Restricted funds	13	394,774	390,965
Unrestricted funds	13	1,037,358	615,352
Total funds		<u><u>1,432,132</u></u>	<u><u>1,006,317</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Mr J A B Ottewell

Date: 27 January 2021

The notes on pages 15 to 30 form part of these financial statements.

ROYAL SCHOOL FOR THE DEAF DERBY
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	2020 £	2019 £
Cash flows from operating activities		
Net cash used in operating activities	146,388	578,572
Cash flows from investing activities		
Purchase of tangible fixed assets	-	(88,008)
Net cash provided by/(used in) investing activities	-	(88,008)
Change in cash and cash equivalents in the year	146,388	490,564
Cash and cash equivalents at the beginning of the year	951,529	460,965
Cash and cash equivalents at the end of the year	1,097,917	951,529

The notes on pages 15 to 30 form part of these financial statements

ROYAL SCHOOL FOR THE DEAF DERBY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Royal School for the Deaf Derby meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Company status

The Charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

1.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Charity, or the Charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Pupil fee income represents fees invoiced to Local Authorities for educational purposes supplied during the year and recognised in the period to which it relates, together with "core" pupil funding from the Educational and Skills Funding Agency, recognised when it is received.

The charitable company also receives grants for educational purposes resulting from initiatives by the Department for Education and Skills.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the school. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

ROYAL SCHOOL FOR THE DEAF DERBY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.4 Expenditure

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

Expenditure on charitable activities includes the cost of education activities undertaken to further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

1.5 Taxation

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

1.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Leasehold property includes the cost of any building improvements to leased land.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Leasehold property	- 50 years
Motor vehicles	- 4 years
Fixtures and fittings	- 5 years

1.7 Investments

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

ROYAL SCHOOL FOR THE DEAF DERBY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.8 Operating leases

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

1.9 Pensions

The School participates in a multi employer defined benefits pension scheme, "The Teachers' Pension Scheme (England and Wales)", for its teachers. As a result it is not possible or appropriate to identify the assets and liabilities of the Scheme which are attributable to the School. In accordance with Financial Reporting Standard 102 therefore, the Scheme is accounted for as a defined contribution scheme. The Scheme is managed by the Department of Education.

The charity operates a defined contributions arrangement for its non-teaching staff in terms of group personal pension plans.

Contributions to both schemes are charged in the Statement of financial activities (incorporating income and expenditure account) as they become payable in accordance with the rules of the Scheme.

1.10 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

ROYAL SCHOOL FOR THE DEAF DERBY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

2. Income from donations and legacies

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations	5,799	-	5,799	22,685
Grants	150,757	118,122	268,879	382,310
	<u>156,556</u>	<u>118,122</u>	<u>274,678</u>	<u>404,995</u>
<i>Total 2019</i>	<u>170,401</u>	<u>234,594</u>	<u>404,995</u>	

3. Income from charitable activities

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Pupil fee income	4,224,686	4,224,686	3,946,535

4. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Staffing costs	2,834,223	48,386	2,882,609	2,791,682
Education and pupil support costs	375,861	9,051	384,912	424,612
Campus and property costs	489,796	56,257	546,053	672,143
Administration costs	211,258	-	211,258	217,285
Governance costs	56,177	-	56,177	60,512
	<u>3,967,315</u>	<u>113,694</u>	<u>4,081,009</u>	<u>4,166,234</u>
<i>Total 2019</i>	<u>3,943,090</u>	<u>223,144</u>	<u>4,166,234</u>	

ROYAL SCHOOL FOR THE DEAF DERBY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

4. Analysis of expenditure on charitable activities (continued)

Summary by fund type (continued)

Summary by expenditure type

	Staff costs 2020 £	Depreciation 2020 £	Other costs 2020 £	Total funds 2020 £	Total funds 2019 £
Staffing costs	2,793,205	-	89,404	2,882,609	2,791,682
Education and pupil support costs	-	-	384,912	384,912	424,612
Campus and property costs	-	30,791	515,262	546,053	672,143
Administration costs	-	-	211,258	211,258	217,285
Governance costs	-	-	56,177	56,177	60,512
	<u>2,793,205</u>	<u>30,791</u>	<u>1,257,013</u>	<u>4,081,009</u>	<u>4,166,234</u>
<i>Total 2019</i>	<u><u>2,671,904</u></u>	<u><u>80,792</u></u>	<u><u>1,413,538</u></u>	<u><u>4,166,234</u></u>	

5. Auditors' remuneration

	2020 £	2019 £
Auditors' remuneration	6,700	6,500
Fees payable to the Charity's auditor in respect of: Non-audit services	8,000	11,500

6. Staff costs

	2020 £	2019 £
Wages and salaries	2,326,744	2,292,775
Social security costs	202,854	191,118
Other pension costs	263,607	188,011
	<u><u>2,793,205</u></u>	<u><u>2,671,904</u></u>

ROYAL SCHOOL FOR THE DEAF DERBY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

6. Staff costs (continued)

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

	2020	<i>2019</i>
Academic	27	<i>27</i>
Residential care	12	<i>10</i>
Learning support	48	<i>41</i>
Corporate & technical services	31	<i>30</i>
	<hr/> 118 <hr/>	<hr/> <i>108</i> <hr/>

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

	2020 No.	<i>2019 No.</i>
In the band £70,001 - £80,000	<hr/> 1 <hr/>	<hr/> <i>1</i> <hr/>

Key management personnel during the year comprised the Senior Leadership Team who received total remuneration and benefits of £267,757 (2019 - £245,496).

7. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the year, no Trustee expenses have been incurred (2019 - £NIL).

ROYAL SCHOOL FOR THE DEAF DERBY
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

8. Tangible fixed assets

	Long-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Total £
Cost				
At 1 September 2019	609,195	79,150	1,538,879	2,227,224
At 31 August 2020	609,195	79,150	1,538,879	2,227,224
Depreciation				
At 1 September 2019	86,617	79,150	1,455,014	1,620,781
Charge for the year	12,184	-	22,338	34,522
At 31 August 2020	98,801	79,150	1,477,352	1,655,303
Net book value				
At 31 August 2020	510,394	-	61,527	571,921
At 31 August 2019	522,578	-	83,865	606,443

9. Fixed asset investments

	Cash held on long-term deposits £
Valuation	
Additions	607,698
At 31 August 2020	607,698

ROYAL SCHOOL FOR THE DEAF DERBY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

10. Debtors

	2020 £	2019 £
Trade debtors	180,418	55,246
Due from connected charity	36,874	9,628
Other debtors	81	81
Prepayments and accrued income	77,598	59,852
	<u>294,971</u>	<u>124,807</u>

11. Current asset investments

	2020 £	2019 £
Cash on deposit	201,144	546,800

12. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	235,114	267,438
Other taxation and social security	46,211	46,573
Other creditors	9,665	59,585
Accruals and deferred income	241,687	302,866
	<u>532,677</u>	<u>676,462</u>
	2020 £	2019 £
Deferred income at 1 September 2019	230,775	130,262
Resources deferred during the year	161,709	230,775
Amounts released from previous periods	(230,775)	(130,262)
Deferred income as at 31 August 2020	<u>161,709</u>	<u>230,775</u>

Deferred income includes fees charged for pupils of £47,659, ESFA grant funding totalling £109,651 and other income of £4,399.

ROYAL SCHOOL FOR THE DEAF DERBY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

13. Statement of funds

Statement of funds - current year

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2020 £
Unrestricted funds					
Designated funds					
Children's Fund	5,016	-	-	-	5,016
Fundraising	369	2,555	(549)	-	2,375
Tuck Shop	266	919	(859)	-	326
	<u>5,651</u>	<u>3,474</u>	<u>(1,408)</u>	<u>-</u>	<u>7,717</u>
General funds					
General funds	<u>609,701</u>	<u>4,385,228</u>	<u>(3,965,907)</u>	<u>619</u>	<u>1,029,641</u>
Total Unrestricted funds	<u>615,352</u>	<u>4,388,702</u>	<u>(3,967,315)</u>	<u>619</u>	<u>1,037,358</u>
Restricted funds					
Leasehold Building Funds	346,752	-	(8,454)	-	338,298
Greggs	-	1,250	-	-	1,250
Devolved Capital Grant	20,862	8,016	(6,546)	-	22,332
NMSS Maintenance Grant	-	42,271	(42,271)	-	-
Pupil Premium Receipts	6,385	45,314	(38,939)	-	12,760
Sports Premium Grant	2,008	16,320	(11,464)	-	6,864
European Visits Fund	7,960	1,900	(3,144)	-	6,716
Sponsorship 5 aside	5,430	-	-	-	5,430
Free School Meals	-	619	-	(619)	-
Bursary 17-18	-	2,432	(2,432)	-	-
Foundation Derbyshire	1,568	-	(444)	-	1,124
	<u>390,965</u>	<u>118,122</u>	<u>(113,694)</u>	<u>(619)</u>	<u>394,774</u>
Total of funds	<u>1,006,317</u>	<u>4,506,824</u>	<u>(4,081,009)</u>	<u>-</u>	<u>1,432,132</u>

ROYAL SCHOOL FOR THE DEAF DERBY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

13. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 September 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 August 2019 £</i>
Unrestricted funds					
Designated funds					
Children's Fund	6,277	-	(1,261)	-	5,016
Fundraising	-	4,153	(19,465)	15,681	369
Tuck Shop	-	1,700	(1,434)	-	266
	<u>6,277</u>	<u>5,853</u>	<u>(22,160)</u>	<u>15,681</u>	<u>5,651</u>
General funds					
General funds	<u>369,539</u>	<u>4,120,403</u>	<u>(3,920,930)</u>	<u>40,689</u>	<u>609,701</u>
Total Unrestricted funds	<u>375,816</u>	<u>4,126,256</u>	<u>(3,943,090)</u>	<u>56,370</u>	<u>615,352</u>
Restricted funds					
Leasehold Building Funds	355,204	-	(8,452)	-	346,752
Greggs	7,816	-	(7,816)	-	-
Devolved Capital Grant	27,410	21,560	(24,044)	(4,064)	20,862
NMSS Maintenance Grant	-	42,271	(42,271)	-	-
Pupil Premium Receipts	8,223	55,226	(57,064)	-	6,385
Sports Premium Grant	5,274	16,370	(19,636)	-	2,008
Careers Local Grant	(2,649)	11,693	(9,044)	-	-
European Visits Fund	5,657	3,750	(1,447)	-	7,960
National Lottery Heritage Fund	7,770	-	(4,844)	(2,926)	-
Catch up 7	496	-	(496)	-	-
MUGA	10,000	36,527	-	(46,527)	-
Sponsorship 5 aside	5,430	-	-	-	5,430
RSD Development Trust	1,436	-	(1,436)	-	-
Summer Play Scheme	2,853	-	-	(2,853)	-
Free School Meals	-	2,932	(2,932)	-	-
Kelloggs	965	-	(965)	-	-
Bursary 17-18	-	2,897	(2,897)	-	-
Foundation Derbyshire	-	4,000	(2,432)	-	1,568

ROYAL SCHOOL FOR THE DEAF DERBY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

13. Statement of funds (continued)

Statement of funds - prior year (continued)

	<i>Balance at 1 September 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 August 2019 £</i>
UPS	-	11,368	(11,368)	-	-
2016 RSDD Property Trust	-	26,000	(26,000)	-	-
	<u>435,885</u>	<u>234,594</u>	<u>(223,144)</u>	<u>(56,370)</u>	<u>390,965</u>
Total of funds	<u><u>811,701</u></u>	<u><u>4,360,850</u></u>	<u><u>(4,166,234)</u></u>	<u><u>-</u></u>	<u><u>1,006,317</u></u>

The designated Children's Fund arises from individual unrestricted donations received by the charitable company that are used in the support of pupils in situations of hardship and for the provision of items for residential pupils not normally funded through local authority fees.

The Leasehold buildings fund represents the grant funding received towards the cost of two campus buildings (the Beddoes Science Lab and the Karten Building) less apportioned accumulated depreciation to date. During the year ended 31 August 2016 the cost of the Karten Building was transferred to the charitable company from Derby College for the Deaf People together with the remaining balance of associated restricted funding and liabilities.

The minibus sponsors represent donations from the Variety Club and Lords Taverners Funds towards the cost of two new school minibuses purchased during the year ended 31 August 2016, less depreciation charged.

The closing balance on the DfE Devolved Capital Grant represents the cost of qualifying additions to buildings and equipment less depreciation charges to date.

The NMSS Maintenance Grant is received from the DfE as a contribution towards the upkeep of the premises on non-maintained special schools.

Pupil Premium funding is received from local authorities to be applied towards the educational benefit of named disadvantaged learners.

The Sport Premium Fund is the unexpired portion of an ESFA Grant received for the benefit of sporting activities in the school's Primary Department.

The Careers local grant allowed young people to access a range of extra curricular opportunities to enhance their life choices and ensure the best possible transition into employment, further education or training programmes.

The balance of the European Educational Visits Fund is the unused portion of British Council funding for European pupil exchange visits, carried forward to future periods.

ROYAL SCHOOL FOR THE DEAF DERBY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

National Lottery was a grant towards ongoing celebrations of the school's 125th anniversary and the shared language, culture, heritage and experiences of Deaf children and adults in the wider community

The MUGA was a successful application to Sports England for an Exchequer Award of £25,832 together with funding from a number of grants namely the Garfield Weston Foundation, the Beatrice Laing Foundation, Healthy Pupils grant and the Peter Harrison Foundation enabled the School to match the Exchequer Award and build an outside all weather Multi Use Games Area (MUGA) to be enjoyed by children and young people of all ages across the school. The facility can also be shared with the wider community including other schools and groups.

The Free School Meals Grant has been used to mitigate the cost of providing food for appropriately aged pupils in the school's Primary Department.

The Bursary Fund is received from the ESFA to assist needy Post 16 learners with their course expenses and is distributed at the school's discretion.

The UPS fund is where the School successfully bid for a grant to modernise the common room and kitchen enjoyed by young people in the Post 16 department.

The RSDD Property Trust was a generous donation towards the repair and upgrade of the School's IT infrastructure to allow further improvements to IT literacy and teaching and learning in all subject areas for all children and young people.

14. Summary of funds

Summary of funds - current year

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2020 £
Designated funds	5,651	3,474	(1,408)	-	7,717
General funds	609,701	4,385,228	(3,965,907)	619	1,029,641
Restricted funds	390,965	118,122	(113,694)	(619)	394,774
	1,006,317	4,506,824	(4,081,009)	-	1,432,132

ROYAL SCHOOL FOR THE DEAF DERBY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

14. Summary of funds (continued)

Summary of funds - prior year

	<i>Balance at 1 September 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 August 2019 £</i>
Designated funds	6,277	5,853	(22,160)	15,681	5,651
General funds	369,539	4,120,403	(3,920,930)	40,689	609,701
Restricted funds	435,885	234,594	(223,144)	(56,370)	390,965
	<u>811,701</u>	<u>4,360,850</u>	<u>(4,166,234)</u>	<u>-</u>	<u>1,006,317</u>

15. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	223,533	348,388	571,921
Fixed asset investments	607,698	-	607,698
Current assets	738,804	46,386	785,190
Creditors due within one year	(532,677)	-	(532,677)
Total	<u>1,037,358</u>	<u>394,774</u>	<u>1,432,132</u>

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Tangible fixed assets	245,183	361,260	606,443
Current assets	1,046,631	29,705	1,076,336
Creditors due within one year	(676,462)	-	(676,462)
Total	<u>615,352</u>	<u>390,965</u>	<u>1,006,317</u>

ROYAL SCHOOL FOR THE DEAF DERBY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

16. Reconciliation of net movement in funds to net cash flow from operating activities

	2020 £	2019 £
Net income for the period (as per Statement of Financial Activities)	425,815	194,616
Adjustments for:		
Depreciation charges	34,522	80,793
Movement in debtors	(170,164)	34,478
Movement in creditors	(143,785)	268,685
Net cash provided by operating activities	146,388	578,572

17. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	289,075	404,729
Investments	808,842	546,800
Total cash and cash equivalents	1,097,917	951,529

18. Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	404,729	(115,654)	289,075
Cash equivalents	546,800	262,042	808,842
	951,529	146,388	1,097,917

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NOTES TO THE FINANCIAL STATEMENTS
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19. Pension commitments

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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

The pension charge for the year includes contributions payable to the TPS of £209,596 (2019 - £140,443). At the year-end £9,665 (2019 - £18,083) was accrued in respect of contributions to this scheme. The Charity also runs a scheme for its non-teaching staff under which defined contributions are paid into a group personal pension arrangement. The cost for the year represents the School's contributions to that Scheme of £54,011 (2019 - £47,568).

VALUATION OF THE TEACHERS' PENSION SCHEME

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

- employer contribution rates set at 23.68% of pensionable pay, including a 0.08% employer administration charge
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million;
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations; and
- the assumed real rate of return is 2.8% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return is 4.45%.

The TPS valuation for 2016 determined an employer rate of 23.68%, which was payable from 1 September 2019.

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

Under the definitions set out in FRS 102, the TPS is a 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

20. Operating lease commitments

At 31 August 2020 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020	2019
	£	£
Not later than 1 year	15,563	6,103
Later than 1 year and not later than 5 years	15,696	24,949
	<hr/> 31,259 <hr/>	<hr/> 31,052 <hr/>

21. Related party transactions

	2020	2019
Included within restricted grants receivable	-	26,000
Included in debtors at the year-end	36,874	9,628
	<hr/> 36,874 <hr/>	<hr/> 35,628 <hr/>

22. Controlling party

The Trustees consider there to be no ultimate controlling party.