

Company Registration No. 07694573 (England and Wales)

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT AND AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2020**

ST CATHERINE'S CATHOLIC SCHOOL

CONTENTS

	Page
Reference and administrative details	1 - 2
Governors' report	3 - 9
Governance statement	10 - 13
Statement on regularity, propriety and compliance	14
Statement of Trustees' responsibilities	15
Independent auditor's report on the accounts	16 - 18
Independent reporting accountant's report on regularity	19 - 20
Statement of financial activities	21 - 22
Balance sheet	23
Cash flow statement	24
Notes to the accounts	25 - 44

ST CATHERINE'S CATHOLIC SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

Y M Connolly (Head Teacher)* - Resigned 13 July 2020
B Connell (Foundation-Chair of Governors - Resigned 6 December 2019)
K Laponder (Foundation - Vice Chair of Governors - Resigned 6 December 2019)
Y Uttley-Wright (Foundation - Withdrawal LSU Trustees 19 September 2019)*
S Brame (Parent) *Resigned 10 March 2020
S Fox (Foundation) Resigned 10 March 2020
T Kennedy (Foundation - Interim Chair of Governors – Appointed 16th December 2019) Resigned 10 March 2020
L Brooks (Foundation – Resigned 11 December 2019)
E Cato Sargeant - Resigned 10 March 2020
K Monin (Resigned 14 September 2019)
I Laponder (Foundation – Resigned 31 January 2020)
S Oram (Foundation - Appointed 19 September 2019, Resigned 9 December 2019)
A.Soubrier (Staff - Appointed 15 November 2019)
P Barber* – Chair of Directors – Appointed 27 February 2020
A Moffatt* – Director – Appointed 27 February 2020
J Nelms* – Director – Appointed 9 March 2020
L Bourne (Director - Appointed 22 June 2019, Resigned 19 November 2019)

* Members of the Finance Committee

Members - The Trustees for the Anglo Hibernian Province of the La Sainte Union Congregation Registered

Sr M Totman LSU Trustee
Sr J Wheatley LSU Leadership
M Williams LSU Schools Liaison (Appointed 19 September 2019)
L Bourne Executive Headteacher at LSU St Anne's
B Connell Chair of Governors (Resigned 6th December 2019)
The Congregation of La Sainte Union Corporate Member

Senior Leadership Team

- Head Teacher (Accounting Officer)	Y Connolly Resigned July 2020
- Deputy Head Teacher	S Hayes Resigned 31 August 2020
- Deputy Head Teacher (Accounting Officer)	A Almeder Resigned 31 August 2020
- Deputy Headteacher	S Ward
- Assistant/Deputy Headteacher	D O'Leary Appointed 1 January 2020
- Assistant Headteacher	D Cunningham
- Assistant Headteacher	A Mann Resigned 31 August 2020
- Assistant Headteacher	M Allen 31 December 2019
- Assistant Headteacher	A Jones Resigned 19 April 2020
- Assistant Headteacher	N Gill Appointed 1 January 2020
- Assistant Headteacher	J Looney Appointed 1 January 2020
- Assistant Headteacher	E Cato Sargeant Resigned 31 August 2020
- Business and Finance Manager	L Ebers Resigned 30 September 2020
- SLT Data Lead	R Childs
-Interim Head of School	U Norbert (from 20 April 2020)
-Interim part time Executive Headteacher	N Watkiss (from 20 April 2020)

ST CATHERINE'S CATHOLIC SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Company registration number	07694573 (England and Wales)
Registered office	Watling Street Bexleyheath Kent DA6 7QJ United Kingdom
Independent auditor	Baxter & Co Lynwood House Crofton Road Orpington Kent BR6 8QE
Bankers	Lloyds Bank PLC 78 New Road Gravesend Kent DA11 0AR
Solicitors	Winkworth Sherwood LLP Minerva House 5 Montague Close London SE1 9BB

ST CATHERINE'S CATHOLIC SCHOOL

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2020. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006, the Statement of Recommended Practice 2015, "Accounting and Reporting by Charities", and the Academies' Accounts Direction 2019/20 issued by the ESFA.

The principal activity of the company is the operation of a state-funded Academy, St. Catherine's Catholic School, providing a state education for students aged 11 to 16 (Yr7 - 11). The standard number for admissions is 210 in each year group, currently on roll on 31st August 2020 were 1037 pupils.

Structure, governance and management

Constitution

The Academy 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 St. Catherine's Catholic School are also the directors of the charitable company for the purposes of company law and they are the governors of the Academy.

The charitable company is known as St. Catherine's Catholic School.

Details of the trustees who served during the year are included in the Reference and Administrative Details included at the front of these accounts.

The DfE has the school registered as St Catherine's Catholic School for Girls.

Members' liability

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

Trustees' indemnities

The academy trust has not provided any indemnity to any third parties on behalf of any trustees.

Method of recruitment and appointment or election of Trustees

In accordance with the articles, the trustees of the charitable company are the governors. They are appointed as follows;

- a) Up to three initial governors appointed on incorporation;
- b) Up to eight governors appointed by the Governors;
- c) Up to three staff governors elected by the staff;
- d) Up to three parent governors elected by parents;
- e) The Headteacher is an ex-officio Governor;
- f) Further governors may be appointed by the Secretary of State.

In respect of those appointed by the governors, ((b), above) when a vacancy arises, the governors seek to make an appointment that would maximise the relevant skills and experience on the board as a whole.

ST CATHERINE'S CATHOLIC SCHOOL

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new governors will depend on their existing experience. Where necessary, induction will provide training in charity, educational, legal and financial matters. All governors are provided with the information needed (including policies, minutes, budgets, etc) to undertake their role as governors. The Academy also purchases the Governor Training Scheme run by the local authority.

Organisational structure

The Board of Trustees, the majority of whom are non-executive, comprises those persons appointed under the Articles of Association. The board meets at least three times a year and has five committees:

- Finance Committee
- Premises Committee
- Students and Curriculum Committee
- Admissions Committee
- Pay and Staffing Committee

The Finance Committee also fulfils the functions of an Audit Committee.

All committees are formally constituted with terms of reference and comprise appropriately qualified and experienced members.

Trustees delegate specific responsibilities to its committees, the activities of which are reported to and discussed at full Governing Body Meetings.

Day to day management of the company is undertaken by the Headteacher, supported by the Senior Leadership Team.

The Headteacher is the Accounting Officer and the Business and Finance Manager is the Chief Financial Officer.

Arrangements for setting pay and remuneration of key management personnel

The senior leadership team (SLT) are the key management personnel of the trust. Trustees are also senior management although they receive no pay or other remuneration in respect of their role as trustees. Where staff trustees are in place, they receive remuneration for their role as staff and their pay is determined in the same way as applicable to all other staff. Further details of remuneration paid to staff who are trustees is set out within the notes to the accounts.

The pay of the Headteacher is set annually by the Pay Committee, having regards to performance against objectives set the previous year. Pay of other SLT members is also set by the Pay Committee again having regard to performance against previously agreed objectives and any recommendations made by the Headteacher.

Trade Union Facility Time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
2	96

Percentage of time spent on facility time

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

ST CATHERINE'S CATHOLIC SCHOOL

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

Percentage of pay bill spent on facility time

Total Cost of facility time	£0
Total Pay bill	£0
Percentage of the total pay bill spent on facility time	0%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours.	0%
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*The school had a Union Official for this reporting period that fulfilled their union duties outside of the working school day.

Related Parties and other Connected Charities and Organisations

The Academy has no connected organisations.

Objectives and activities

Objects and aims

The principal object of the company is the advancement of education in the United Kingdom in the spirit of La Sainte Union. It achieves this object principally through the operation of St. Catherine's Catholic School, the aim being to provide the highest possible standard of education and pastoral care, maximising the life-chances of its students.

Objectives, strategies and activities

The main objectives during the year were:

- For all students to make exceptional progress in all areas of the curriculum
- For the Quality of Education to be outstanding
- For the ethos and culture of the school to be strong and conducive to the best form of Catholic Education
- For leaders and governors to secure high standards and excellence
- To nurture students to become aspirational women with an awareness of the world and the positive contribution they can make to it
- To minimise the negative impact of the COVID-19 pandemic on students and staff.

Students engage in fundraising for specific charities identified by the student council, these include:

- Any natural disaster or crisis in the world.
- Breast cancer charities
- The LSU secondary school in Tanzania
- Manna Centre for the homeless in London

Public benefit

In setting the objectives and planning the associated activities, governors have given careful consideration to the Charity Commission's general guidance on public benefit.

ST CATHERINE'S CATHOLIC SCHOOL

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

Strategic Report

It has been a tumultuous academic year. Despite this, the school has successfully managed to sustain improvements and make significant gains, particularly in the achievement of disadvantaged pupils and in the rates of pupil attendance. During this very difficult year, there were 16 strike days and national press attention prior to December 2019, the entire governing body stepped down prior to March 2020 and 6 members of the senior leadership team resigned during the course of the year. In addition, the Business Manager resigned in September 2020. The COVID-19 pandemic resulted in the school being closed to the vast majority of students from March 2020.

In March 2020, 3 Catholic National Leaders of Governance formed a new governing body. They took swift action and managed, at very short notice, to secure the interim leadership of the school by appointing a full-time interim Head of School and procuring the services of a part-time interim Executive Headteacher. In addition, they have successfully appointed a substantive Headteacher for 2021 via a national recruitment campaign. The transition period, prior to the new Headteacher taking up her post, is underway. New governors are being recruited and trained so that there is a full complement of high-quality governors with the requisite skills to govern the school.

The interim part-time Executive Headteacher and Head of School, with the challenge and support of the new governors, have provided clear strategic direction for the school community as a whole and have been pivotal in building the staff team and refocussing efforts on the school's priorities, particularly since the COVID-19 pandemic. As a result, the school is settled and poised to move forward with its priorities.

Achievements and performance

The COVID-19 pandemic has added to the pressures faced by the school, however despite this, the school has remained open for vulnerable students and has provided high quality remote education for other students during the national lockdowns. The organisation of the CAGs for Year 11 students was highly effective, rigorous and well managed. Attendance of staff and students during this period has been exceptionally high. Significant measures have been put in place to ensure the well-being of students and staff during this difficult period, is of the highest priority. Academic performance according to the CAGs has demonstrated another very successful year.

The Attainment 8 score is 56.66. 86% of students achieved a Standard pass (grade 4+) for English and maths. 61% achieved a Strong pass (grade 5+) for English and maths. 85.22% were able to achieve Standard pass for English, maths and three other subjects and 61% a Strong pass for English Maths and 3 other subjects. The EBacc figure for a Standard pass is 43.35% and 32.5% for a Strong pass. 30.5% of all grades are grades 7 to 9. All 203 students achieved a grade 1 or more, with students achieving at least a minimum of 7 GCSEs.

The Progress 8 figure, as calculated by *4Matrix*, is +1, and a further improvement on last year's performance and is significantly above the national average.

Students in receipt of Pupil Premium have outperformed other students in most measures, which bucks the national trend and demonstrates that students with pupil premium status are not negatively impacted by this in terms of academic performance at St Catherine's school.

The school performs very highly year-on-year in comparison with the other 49 schools in the Education Endowment Fund family of similar schools.

Pupil attendance for the year remained strong. This is evidenced through the only available comparable data, which is for the autumn term. Overall attendance at the school was 97.1% compared to national 95%. Persistent absence was 6.1% compared to the national of 13.1%. For students eligible for the Pupil Premium, attendance is strong.

Pupil recruitment

For admission in September 2019, all places were filled with 500+ applications received.

Going concern

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

ST CATHERINE'S CATHOLIC SCHOOL

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

Financial review

We receive our income from a number of different sources. The majority of our income comes from central government via the Education and Skills Funding Agency who provide us with grant, based largely on our student numbers to cover our staffing and other general running costs (General Annual Grant - GAG). The ESFA may provide us with additional grants which are earmarked for specific purposes (such as Pupil Premium which must be used to raise the attainment of disadvantaged pupils). These appear in the accounts as DfE/ESFA grants. Where we receive grant or other funding from the Local Authority (such as where we undertake responsibilities on their behalf in respect of our students) this appears in the accounts as other government grants. Such income is collectively referred to as "Restricted Funds". Other income is received from parents (for example as contributions to trip or other costs) and from third parties (for example from our bank for interest on our account balances or from others who are charged for their use of our facilities). Such other income may be restricted or unrestricted, depending on whether it comes to us with conditions as to its use or whether it is available for spending at the discretion of the trustees.

We hold funds in two broad categories, funds which are available for spending and other funds which are not available for spending.

Spendable funds are in turn sub-categorised between those which are available for spending at the discretion of trustees ("Unrestricted Funds") and those which are subject to condition or restriction, ("Restricted Funds").

Funds not available for spending include the book value of fixed assets such as land, buildings and equipment. These have a value and are therefore included as assets in the accounts but clearly, we cannot spend this value. In common with all academies and Local Authorities, our share of the Local Government Pension Scheme deficit must also be reflected in our accounts and as this is not a conventional liability, it does not need to be deducted from spendable funds. We meet our obligations in respect of the LGPS by paying over pension contributions due as calculated by the scheme's actuaries.

The following balances held were held at 31 August:

Fund	Category	2020 £'000	2019 £'000
GAG	Restricted General Funds	-	-
Other DfE/ESFA Grants	Restricted General Funds	-	-
Other Income	Restricted General Funds	233	209
	Sub-total General Restricted Funds	233	209
DfE / ESFA Capital Grants	Restricted Fixed Asset Fund	262	25
Other Income	Unrestricted General Fund	622	779
	Sub-Total Spendable Funds	1,117	1,013
Net Book Value of Fixed Assets	Restricted Fixed Asset Fund	8,125	8,356
Share of LGPS Deficit	Restricted Pension Reserve	(2,090)	(2,125)
	Total All Funds	<u>7,152</u>	<u>7,244</u>

During the year under review, there was a surplus of £24k (2019: £33k) on general restricted funds, a (deficit) of £(157k) (2019: £(13k)) on unrestricted funds and after LGPS valuation adjustments, depreciation and capital income and expenditure, an overall in year surplus of £(92k) (2019: £(1,303k)).

Reserves policy

The principal policy on reserves is that accumulation of unspent GAG balances should not breach any limits thereon set out in the Funding agreement. The level of reserves should never be in deficit.

Each year the Governors review the resource requirements and grant and other income that is forecast for the coming year and an annual budget is formulated and approved.

ST CATHERINE'S CATHOLIC SCHOOL

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

Investment policy

There are no investments held beyond cash deposits retained with the major UK clearing banks. Speculative investments are not permitted.

Principal risks and uncertainties

The Trustees have assessed the major risks to which the company is exposed, in particular those relating to academic performance/finances/child welfare. The governors have implemented a number of systems to assess risks that the company faces, and have developed policies and procedures to mitigate those risks. Where significant financial risk still remains they have ensured they have adequate insurance cover. The company has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

The risk management process has been codified in a risk register implemented by the Senior Leadership Team and overseen by Trustees.

The principal financial risk faced by the company is that ongoing pressure on funding results in a risk that deficits may be experienced. The budgeting and reporting process, including scrutiny by the governors of actual financial performance, mitigates the risk.

As the nature of the financial instruments dealt with by the company is relatively simple (bank balances, debtors and "trade" creditors), governors consider the associated risk in this area to be minimal.

The risk resulting from the company's share of the LGPS deficit is managed by following the advice of the scheme's actuaries, specifically as regards the level of contributions payable, ensuring that annual budgets are drawn up to reflect the actuary's advice.

Most of the company's income is obtained from the DfE (via the Education and Skills Funding Agency) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2020 and the associated expenditure are shown as restricted funds in the statement of financial activities.

Our fundraising practices

The school organises fundraising events and appeals and co-ordinates the activities of our supporters both within the school and in the wider community.

The school does not use professional fundraisers or involve commercial participators.

There have been no complaints about fundraising activity this year.

The school complies with the Fundraising Regulator's Code of Fundraising Practice.

All fundraising is undertaken by the school in a manner that seeks to ensure that it is not unreasonably intrusive or persistent. Contact is made through email, school newsletters, our website and via students. All fundraising material contains clear instructions on how a person can be removed from mailing lists.

ST CATHERINE'S CATHOLIC SCHOOL

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

Plans for future periods

The principal task facing the company is to:

- Maintain and continue to improve excellent educational standards.
- Manage the Covid-19 pandemic.
- Ensure the transition programme to the substantive headteacher and new governing body is successful.
- Ensure that the school is equipped to deliver outstanding outcomes and pastoral care digitally, as well as face to face through the upgrading and replacement of IT based resources and hardware.
- Ensure that the estate and buildings are ready for social distancing measures and the impact on groupings of students and staff.
- Review the curriculum in light of the school's current position and any gaps identified as a consequence of COVID-19.

Funds held as custodian trustee on behalf of others

At the period ended 31st August 2020, the Academy (banker school) held no monies as custodian trustees on behalf of others.

Auditor

In so far as the Trustees are aware:

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

The trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 19 January 2021 and signed on its behalf by:



.....
P.Barber
Chair of Governors

ST CATHERINE'S CATHOLIC SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2020

Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the Head Teacher, 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 St Catherine's Catholic School and the Secretary of State for Education. The Accounting Officer is 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 (2+4) times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustees	Meetings attended	Out of possible
Y Connolly (Head Teacher)	2	5
K Laponder (Foundation - Vice Chair of Governors)	2	2
B Connell (Foundation - Chair of Governors)	2	2
E Cato – Sargeant (Staff)	2	2
Y Uttley-Wright (Foundation)	0	1
I Laponder (Foundation)	2	2
S Brame (Parent)	1	2
S Fox (Foundation)	2	2
T Kennedy (Foundation)	2	2
L Brooks (Foundation)	2	2
S Oram	0	0
K Monin (staff)	0	0
A Soubrier (staff)	1	1
P Barber– Chair of Directors	4	4
A Moffatt – Director	4	4
J Nelms – Director	4	4

The Finance Committee is a sub-committee of the main board of governors. Its purpose is to assist and support the Governing Body ensuring sound oversight is exercised over the management of the Academy's finances and resources. There is no requirement for a dedicated Audit Committee; the Finance Committees fulfils this function.

The Finance Committee has met formally 4 (1+3) times during the year. Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
Y Connolly (Head Teacher)	1	3
B Connell (Chair of Governors)	1	1
S Brame (Parent – Chair of Finance)	1	1
I Laponder (Foundation)	1	1
P Barber– Chair of Directors	3	3
A Moffatt – Director	3	3
J Nelms – Director	3	3

ST CATHERINE'S CATHOLIC SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2020

Review of Value for Money

As Accounting Officer (AO) the Headteacher has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The AO understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The AO 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 available.

The Accounting Officer of St Catherine's Catholic School accepts is responsible and accountable for ensuring that the Academy Trust delivers good value in the use of public resources. The AO is aware of the Guide to Academy Value for Money Statements published by the Education and Skills Funding Agency and understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The AO has set out below how the Academy Trust's economic, efficient and effective use of its resources has provided good value for money during the academic year.

Improving educational results

(see above for evidence of strong outcomes)

Financial governance and oversight

The Academy continues to have its financial procedures reviewed regularly by a Responsible Officer who carries out internal audits and control checks and provides a report to the Governors. The Academy receives support throughout the year from its External Auditors on compliance and accounting issues and is audited annually.

The Finance Committee meets termly and receive regular monitoring reports. The Full Governing Body approves the budget each year and is mindful of the need to balance expenditure against income to ensure the Academy Trust remains a 'going concern'.

The Academy works with other local academies to undertake cost comparison and benchmarking.

Reviewing controls and managing risks

Staff with budget responsibilities receive regular monthly reports and ensure they stay within their allocated budgets. Any issues that arise are dealt with by the Business and Finance Manager/Headteacher as and when required. Any concerns or anticipated extra-ordinary expenses are reported to the Governing Finance Committee, who will scrutinise them fully before approving.

The Academy ensures that all surplus cash balances are invested in fixed term deposit accounts to maximise interest earning potential.

Best value Insurance cover is selected, with increased limits and cover, using the CPC Insurance Framework.

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 St Catherine's Catholic School for the year ended 31 August 2020 and up to the date of approval of the annual report and financial statements

ST CATHERINE'S CATHOLIC SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2020

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 year ended 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

The risk and control framework

The 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 Premises committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal checking function and have appointed Baxter & Co to undertake an agreed programme of work.

The role includes performing a range of checks on the Academy Trust's financial systems and internal processes. The findings and recommendations arising from the work are reported to the Board of Trustees. The Academy Trust confirms that the work has been delivered as planned.

The Checks carried out included

- Testing of payroll systems
- Testing of purchase and payments systems
- Testing of control account/bank reconciliations systems
- Testing of income systems
- Testing of pupil census data
- Testing of assurance arrangements
- Testing of compliance with ESFA arrangements/requirements
- Testing of other governance arrangements

All points resulting from the work have been considered for action by the board.

Baxter & Co have confirmed that in accordance with the ethical standard, having concluded their engagement to support the RO for 2019/20, they will no longer provide internal scrutiny services. The Trust will therefore be implementing an alternative provider for 2020/21.

ST CATHERINE'S CATHOLIC SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2020

Review of effectiveness

As accounting officer the Headteacher 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 Responsible Officer
- the work of the External Auditor;
- the financial management and governance self-assessment process
- the work of the Executive Managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the finance and premises committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 19 January 2021 and signed on its behalf by:



P Barber
Chair of Governors
(since March 2020)



N Watkiss
Interim part time Executive Headteacher
(since 20th April 2020)

Accounting Officer
(since 1st September 2020)

Accounting Officers for 2019/20 academic year were:

Y Connolly
A Almeder

ST CATHERINE'S CATHOLIC SCHOOL

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2020

As accounting officer of St Catherine's Catholic School, I have considered my responsibility to notify the Academy 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 academy trust, under the funding agreement in place between the Academy 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 2019.

I confirm that I and the Academy Trust's Board of Trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2019.

I confirm that, as advised in the Independent Reporting Accountant's Report on Regularity, the following instances of irregularity, impropriety or funding non-compliance discovered to date have been notified to the Board of Trustees and considered for reporting to ESFA. The Board of Trustees are satisfied with the arrangements in respect of the matters raised. If any instances are identified after the date of this statement, these will be notified to the Board of Trustees and ESFA:

Financial issues reported by Independent Reporting Accountant

Two Trustees received payment for leadership related services (not services as a Trustee) provided to the Academy Trust (of £750 and £875, respectively) provided predominately prior to their appointment as Trustees which had not been notified to the ESFA by the Academy Trust prior to making the payment (as required for related party transactions - section 5.40 of the Academies Financial Handbook 2019-20).

Non-financial issues reported by Independent Reporting Accountant

The Interim Part-Time Executive Headteacher's remuneration was invoiced by a Limited liability company. Section 2.33 of the Academies Financial Handbook 2019-20 explains that "senior managers with significant financial responsibilities should be exclusively on payroll and therefore subject to Pay As You Earn with income tax and NI contributions deducted at source. The Handbook identifies "should" as "minimum good practice which trusts should apply unless they can demonstrate that an alternative approach better suits their circumstances", which has been demonstrated in this case and it is noted that ESFA have been informed about this arrangement.



N Watkiss

Accounting Officer - From 01 September 2020

19 January 2021

ST CATHERINE'S CATHOLIC SCHOOL

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2020

The trustees (who are also the directors of St Catherine's Catholic School for the purposes of company law) are responsible for preparing the Trustees' report and the Financial Statements in accordance with the Academies Accounts Direction 2019 to 2020 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these Financial Statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- 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; and
- 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 that grants received from ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the Board of Trustees on 19 January 2021 and signed on its behalf by:



P Barber

Chair of Trustees

ST CATHERINE'S CATHOLIC SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST CATHERINE'S CATHOLIC SCHOOL

FOR THE YEAR ENDED 31 AUGUST 2020

Opinion

We have audited the Financial Statements of St Catherine's Catholic School for the year ended 31 August 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 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 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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020.

Basis for opinion

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

Conclusions relating to going concern

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 Academy Trust'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.

Other information

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

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.

ST CATHERINE'S CATHOLIC SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST CATHERINE'S CATHOLIC SCHOOL (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 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 Academy 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 charitable company, or have no realistic alternative but to do so.

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

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

ST CATHERINE'S CATHOLIC SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST CATHERINE'S CATHOLIC SCHOOL (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Use of our report

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



David John Walsh FCCA (Senior Statutory Auditor)

For and on behalf of Baxter & Co

Chartered Certified Accountants

Lynwood House

Crofton Road

Orpington

Kent

BR6 8QE

Dated: 22 January 2021

ST CATHERINE'S CATHOLIC SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST CATHERINE'S CATHOLIC SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2020

In accordance with the terms of our engagement letter dated 1 November 2012 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St Catherine's Catholic School during the period 1 September 2019 to 31 August 2020 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 St Catherine's Catholic School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the St Catherine's Catholic School 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 St Catherine's Catholic School and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of St Catherine's Catholic School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of St Catherine's Catholic School's funding agreement with the Secretary of State for Education dated 1 December 2011 and the Academies Financial Handbook, extant from 1 September 2019, 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 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- Review of payments to staff;
- Review of payments to suppliers and other third parties;
- Review of grant and other income streams;
- Review of some key financial control procedures;
- Discussions with finance staff;
- Consideration of the record maintained by the Accounting Officer of the oversight they have exercised;
- Consideration of the programme of internal scrutiny implemented by the Academy Trust in order to comply with its obligations under 3.1 of the Academies Financial Handbook 2019, issued by the ESFA.

ST CATHERINE'S CATHOLIC SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST CATHERINE'S CATHOLIC SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Conclusion

In the course of our work, except for the matters referred to below, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Matter 1 : Payments to Trustees

Two Trustees received payment for services provided to the Academy Trust (of £750 and £875, respectively) which had not been notified to the ESFA prior to making the payment (as required for related party transactions - section 5.40 of the Academies Financial Handbook 2019-20). The Trust confirmed to us that it has confirmed with its legal advisors that such payments are not contrary to its Articles of Association.

Matter 2: Personal service company

The Executive Headteacher's pay was invoiced by a Limited liability company. Section 2.33 of the Academies Financial Handbook 2019-20 explains that "senior managers with significant financial responsibilities should be exclusively on payroll and therefore subject to Pay As You Earn with income tax and NI contributions deducted at source.



Baxter & Co
Independent Reporting Accountants
Chartered Certified Accountants

Lynwood House
Crofton Road
Orpington
Kent
BR6 8QE

Dated: 22 January 2021

ST CATHERINE'S CATHOLIC SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2020 £'000	Total 2019 £'000
Income and endowments from:						
Donations and capital grants	4	-	-	290	290	77
Charitable activities:						
- Funding for educational operations	5	4	6,151	-	6,155	5,985
Other trading activities	6	10	-	-	10	13
Investments	7	8	-	-	8	6
Total		<u>22</u>	<u>6,151</u>	<u>290</u>	<u>6,463</u>	<u>6,081</u>
Expenditure on:						
Charitable activities:						
- Educational operations	9	179	6,303	288	6,770	6,586
Total	8	<u>179</u>	<u>6,303</u>	<u>288</u>	<u>6,770</u>	<u>6,586</u>
Net income/(expenditure)		(157)	(152)	2	(307)	(505)
Transfers between funds	17	-	(4)	4	-	-
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit pension schemes	19	-	215	-	215	(798)
Net movement in funds		(157)	59	6	(92)	(1,303)
Reconciliation of funds						
Total funds brought forward		779	(1,916)	8,381	7,244	8,547
Total funds carried forward		<u>622</u>	<u>(1,857)</u>	<u>8,387</u>	<u>7,152</u>	<u>7,244</u>

ST CATHERINE'S CATHOLIC SCHOOL

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

FOR THE YEAR ENDED 31 AUGUST 2020

Comparative year information Year ended 31 August 2019	Notes	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2019 £'000
Income and endowments from:					
Donations and capital grants	4	2	-	75	77
Charitable activities:					
- Funding for educational operations	5	11	5,974	-	5,985
Other trading activities	6	13	-	-	13
Investments	7	6	-	-	6
Total		<u>32</u>	<u>5,974</u>	<u>75</u>	<u>6,081</u>
Expenditure on:					
Charitable activities:					
- Educational operations	9	3	6,288	295	6,586
Total	8	<u>3</u>	<u>6,288</u>	<u>295</u>	<u>6,586</u>
Net income/(expenditure)		29	(314)	(220)	(505)
Transfers between funds	17	(42)	84	(42)	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	19	-	(798)	-	(798)
Net movement in funds		(13)	(1,028)	(262)	(1,303)
Reconciliation of funds					
Total funds brought forward		<u>792</u>	<u>(888)</u>	<u>8,643</u>	<u>8,547</u>
Total funds carried forward		<u>779</u>	<u>(1,916)</u>	<u>8,381</u>	<u>7,244</u>

ST CATHERINE'S CATHOLIC SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2020

		2020		2019	
	Notes	£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	13		8,125		8,356
Current assets					
Debtors	14	549		175	
Cash at bank and in hand		1,099		1,279	
		<u>1,648</u>		<u>1,454</u>	
Current liabilities					
Creditors: amounts falling due within one year	15	(531)		(441)	
Net current assets			<u>1,117</u>		<u>1,013</u>
Net assets excluding pension liability			9,242		9,369
Defined benefit pension scheme liability	19		(2,090)		(2,125)
Total net assets			<u>7,152</u>		<u>7,244</u>
Funds of the Academy Trust:					
Restricted funds	17				
- Fixed asset funds			8,387		8,381
- Restricted income funds			233		209
- Pension reserve			(2,090)		(2,125)
Total restricted funds			6,530		6,465
Unrestricted income funds	17		622		779
Total funds			<u>7,152</u>		<u>7,244</u>

The Financial Statements on pages 21 to 44 were approved by the Trustees and authorised for issue on 19 January 2021 and are signed on their behalf by:



P Barber
Chair of Trustees

Company Number 07694573

ST CATHERINE'S CATHOLIC SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

		2020		2019	
	Notes	£'000	£'000	£'000	£'000
Cash flows from operating activities					
Net cash (used in)/provided by operating activities	20		(435)		109
Cash flows from investing activities					
Dividends, interest and rents from investments		8		6	
Capital grants from DfE Group		304		61	
Purchase of tangible fixed assets		(57)		(117)	
Net cash provided by/(used in) investing activities			<u>255</u>		<u>(50)</u>
Net (decrease)/increase in cash and cash equivalents in the reporting period			(180)		59
Cash and cash equivalents at beginning of the year			<u>1,279</u>		<u>1,220</u>
Cash and cash equivalents at end of the year			<u><u>1,099</u></u>		<u><u>1,279</u></u>

ST CATHERINE'S CATHOLIC SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

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

1.1 Basis of preparation

The Financial Statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their Financial Statements 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 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

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

1.3 Income

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

Grants

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

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

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

Sponsorship income

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where the 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.

ST CATHERINE'S CATHOLIC SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

Other income

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

Donated goods, facilities and services

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

Donated fixed assets

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

1.4 Expenditure

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

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

1.5 Tangible fixed assets and depreciation

Assets costing £4,000 or more per item (or less if they form part of a larger purchase or project where the total cost exceeds £20,000) 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 that require 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. Where tangible fixed assets have been acquired / funded by other income, the fixed asset fund is also credited. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities.

ST CATHERINE'S CATHOLIC SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

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

Leasehold land and buildings	2% Straight Line
ICT / Computer equipment	33.33% Straight Line
Plant & machinery	20% Straight Line
Motor vehicles	20% Straight Line

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.

1.6 Liabilities

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

1.7 Leased assets

Rentals payable under operating leases are charged against income on a straight-line basis over the period of the lease.

1.8 Financial instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.9 Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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.

ST CATHERINE'S CATHOLIC SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

1.10 Pensions benefits

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

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

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

1.11 Fund accounting

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

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

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

1.12 Agency Arrangements

Where the Academy Trust acts as agent in collecting and / or distributing from the ESFA or others, and subsequent disbursements are excluded from the Statement of Financial Activities as the Trust does not have control over charitable application of the funds. The funds received and paid, and any balances held are disclosed in note .

2 Critical accounting estimates and areas of judgement

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

ST CATHERINE'S CATHOLIC SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

2 Critical accounting estimates and areas of judgement

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, 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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. 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

In preparing these Financial Statements, the Trustees have not needed to exercise any subjective judgements that would be critical to the Academy Trust's Financial Statements.

3 General Annual Grant (GAG)

Under the funding agreement with the Secretary of State, the Academy Trust was subject to limits at 31 August 2020 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The Academy Trust has not exceeded these limits during the year ended 31 August 2020.

4 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
Capital grants	-	290	290	75
Other donations	-	-	-	2
	<u>-</u>	<u>290</u>	<u>290</u>	<u>77</u>

ST CATHERINE'S CATHOLIC SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

5 Funding for the Academy Trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
DfE / ESFA grants				
General annual grant (GAG)	-	5,400	5,400	5,385
Other DfE group grants	-	592	592	355
	<u>-</u>	<u>5,992</u>	<u>5,992</u>	<u>5,740</u>
Other government grants				
Local authority grants	-	56	56	34
Exceptional government funding				
Coronavirus Job Retention Scheme grant	-	25	25	-
	<u>-</u>	<u>81</u>	<u>81</u>	<u>34</u>
Other funding				
Voluntary Fund	-	78	78	200
Other incoming resources	4	-	4	11
	<u>4</u>	<u>78</u>	<u>82</u>	<u>211</u>
Total funding	<u>4</u>	<u>6,151</u>	<u>6,155</u>	<u>5,985</u>

6 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
Hire of facilities	10	-	10	13

7 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
Short term deposits	8	-	8	6

ST CATHERINE'S CATHOLIC SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

8 Expenditure

	Staff costs £'000	Non-pay expenditure Premises £'000	Other £'000	Total 2020 £'000	Total 2019 £'000
Academy's educational operations					
- Direct costs	4,303	230	436	4,969	4,664
- Allocated support costs	1,109	320	372	1,801	1,922
	<u>5,412</u>	<u>550</u>	<u>808</u>	<u>6,770</u>	<u>6,586</u>

Net income/(expenditure) for the year includes:

	2020 £'000	2019 £'000
Fees payable to auditor for:		
- Audit	9	8
- Other services	18	16
Operating lease rentals	7	11
Depreciation of tangible fixed assets	288	295
Net interest on defined benefit pension liability	34	28
	<u>355</u>	<u>358</u>

Included within expenditure are the following transactions:

	2020 £
Gifts made by the Academy Trust - total	<u>630</u>

Clarification: While the majority of the disclosures in these accounts are rounded to £'000, the disclosure regarding gifts and compensation payments above are not. The value of gifts in the year was £630 (not £630k).

ST CATHERINE'S CATHOLIC SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

9 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
Direct costs				
Educational operations	179	4,790	4,969	4,664
Support costs				
Educational operations	-	1,801	1,801	1,922
	<u>179</u>	<u>6,591</u>	<u>6,770</u>	<u>6,586</u>
Analysis of costs			2020 £'000	2019 £'000
Direct costs				
Teaching and educational support staff costs			4,303	3,878
Staff development			20	28
Depreciation			230	236
Technology costs			87	81
Educational supplies and services			160	169
Examination fees			74	94
Educational consultancy			32	15
Other direct costs			63	163
			<u>4,969</u>	<u>4,664</u>
Support costs				
Support staff costs			963	967
Defined benefit pension scheme - staff costs (FRS102 adjustment)			146	235
Depreciation			58	59
Maintenance of premises and equipment			64	272
Cleaning			10	10
Energy costs			85	105
Rent, rates and other occupancy costs			69	68
Insurance			30	32
Security and transport			9	13
Catering			36	29
Defined benefit pension scheme - finance costs (FRS102 adjustment)			34	28
Legal costs			53	-
Other support costs			74	43
Governance costs			170	61
			<u>1,801</u>	<u>1,922</u>

ST CATHERINE'S CATHOLIC SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

10 Staff

Staff costs

Staff costs during the year were:

	2020	2019
	£'000	£'000
Wages and salaries	3,825	3,784
Social security costs	372	347
Pension costs	834	631
Defined benefit pension scheme - staff costs (FRS102 adjustment)	146	235
	<hr/>	<hr/>
Staff costs - employees	5,177	4,997
Agency staff costs	235	69
Staff restructuring costs	-	14
	<hr/>	<hr/>
	5,412	5,080
	<hr/>	<hr/>

Staff restructuring costs comprise:

Redundancy payments	-	14
	<hr/>	<hr/>

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £nil (2019: £14k).

Staff numbers

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

	2020	2019
	Number	Number
Teachers	55	60
Administration and support	46	51
Management	12	8
	<hr/>	<hr/>
	113	119
	<hr/>	<hr/>

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

	2020	2019
	Number	Number
Teachers	51	56
Administration and support	32	34
Management	12	8
	<hr/>	<hr/>
	95	98
	<hr/>	<hr/>

ST CATHERINE'S CATHOLIC SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

10 Staff

Higher paid staff

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

	2020 Number	2019 Number
£60,000 - £70,000	3	1
£70,001 - £80,000	3	2
£100,001 - £110,000	1	1
	<u> </u>	<u> </u>

Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £1,114,325 (2019: £995,151).

11 Trustees' remuneration and expenses

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

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

Y Connolly (Head Teacher - resigned 13 July 2020):

- Remuneration: £100,000 - £105,000 (2019: £105,000 - £110,000)
- Employer's pension contributions: £20,000 - £25,000 (2019: £15,000 - £20,000)

K Monin (Staff Trustee - resigned 04 September 2019):

- Remuneration: £nil - £5,000 (2019: £45,000 - £50,000)
- Employer's pension contributions: £nil - £5,000 (2019: £5,000 - £10,000)

E Cato-Sargeant (Staff Trustee - resigned 10 March 2020):

- Remuneration: £25,000 - £30,000 (2019: £40,000 - £45,000)
- Employer's pension contributions: £5,000 - £10,000 (2019: £5,000 - £10,000)

A Soubrier (Staff Trustee - appointed 15 November 2019):

- Remuneration: £35,000 - £40,000 (2019: not elected)
- Employer's pension contributions: £5,000 - £10,000 (2019: not elected)

During the year payments totalling £1,906 (2019: £173) were reimbursed or paid directly to 4 Trustees (2019: 1 Trustee). This includes £1,622 (2019:£173) of reimbursements that were made for expenses incurred in the normal course of employment.

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

ST CATHERINE'S CATHOLIC SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

12 Insurance for Trustees and officers

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the year ended 31 August 2020 was £784 (2019: £700). The cost of this insurance is included in the total insurance cost.

13 Tangible fixed assets

	Leasehold land and buildings £'000	ICT / Computer equipment £'000	Plant & machinery £'000	Motor vehicles £'000	Total £'000
Cost					
At 1 September 2019	10,400	60	24	15	10,499
Additions	53	4	-	-	57
At 31 August 2020	10,453	64	24	15	10,556
Depreciation					
At 1 September 2019	2,054	52	22	15	2,143
Charge for the year	278	9	1	-	288
At 31 August 2020	2,332	61	23	15	2,431
Net book value					
At 31 August 2020	8,121	3	1	-	8,125
At 31 August 2019	8,346	8	2	-	8,356

Leasehold land is included above at a nominal net book value of £1, reflecting legal restrictions as to its use.

14 Debtors

	2020 £'000	2019 £'000
Trade debtors	4	4
VAT recoverable	17	11
Prepayments and accrued income	528	160
	549	175

ST CATHERINE'S CATHOLIC SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

15 Creditors: amounts falling due within one year

	2020	2019
	£'000	£'000
Trade creditors	116	44
Other taxation and social security	102	96
Other creditors	108	74
Accruals and deferred income	205	227
	<u>531</u>	<u>441</u>

16 Deferred income

	2020	2019
	£'000	£'000
Deferred income is included within:		
Creditors due within one year	<u>94</u>	<u>61</u>
Deferred income at 1 September 2019	61	91
Released from previous years	(61)	(91)
Resources deferred in the year	<u>94</u>	<u>61</u>
Deferred income at 31 August 2020	<u>94</u>	<u>61</u>

Deferred income at 31 August 2020 relates to balances on trips of £94k (2019: £61k) due to take place in the next financial year.

ST CATHERINE'S CATHOLIC SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

17 Funds

	Balance at 1 September 2019 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2020 £'000
Restricted general funds					
General Annual Grant (GAG)	-	5,400	(5,396)	(4)	-
Other DfE / ESFA grants	-	355	(355)	-	-
Pupil Premium	-	237	(237)	-	-
Other government grants	-	81	(81)	-	-
Other restricted funds	209	78	(54)	-	233
Pension reserve	(2,125)	-	(180)	215	(2,090)
	<u>(1,916)</u>	<u>6,151</u>	<u>(6,303)</u>	<u>211</u>	<u>(1,857)</u>
Restricted fixed asset funds					
Transfer on conversion	7,440	-	(258)	-	7,182
DfE group capital grants	808	290	(18)	-	1,080
Capital expenditure from GAG and other funds	133	-	(12)	4	125
	<u>8,381</u>	<u>290</u>	<u>(288)</u>	<u>4</u>	<u>8,387</u>
Total restricted funds	<u>6,465</u>	<u>6,441</u>	<u>(6,591)</u>	<u>215</u>	<u>6,530</u>
Unrestricted funds					
General funds	779	22	(179)	-	622
	<u>779</u>	<u>22</u>	<u>(179)</u>	<u>-</u>	<u>622</u>
Total funds	<u>7,244</u>	<u>6,463</u>	<u>(6,770)</u>	<u>215</u>	<u>7,152</u>

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

The Restricted General Funds are used to fund the general operating costs of the Academy.

Under the funding agreement with the Secretary of State, the Academy Trust was subject to a limit on the amount of GAG that it could carry forward at 31 August 2020. Note 3 discloses whether the limit was exceeded.

The Restricted LGPS Fund represents the Academy's share of the LGPS Pension Fund deficit.

The Restricted Fixed Asset Fund represents investment in fixed assets, net of related depreciation. Unspent capital grants are also held in this fund and their use is restricted to the capital projects for which the grant was paid.

Unrestricted Funds represent balances held at period end that can be applied at the discretion of the Governors, to support any of the Academy's charitable purposes.

ST CATHERINE'S CATHOLIC SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

17 Funds

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

	Balance at 1 September 2018 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2019 £'000
Restricted general funds					
General Annual Grant (GAG)	-	5,385	(5,469)	84	-
Other DfE / ESFA grants	-	106	(106)	-	-
Pupil Premium	-	249	(249)	-	-
Other government grants	-	34	(34)	-	-
Other restricted funds	176	200	(167)	-	209
Pension reserve	(1,064)	-	(263)	(798)	(2,125)
	<u>(888)</u>	<u>5,974</u>	<u>(6,288)</u>	<u>(714)</u>	<u>(1,916)</u>
Restricted fixed asset funds					
Transfer on conversion	7,698	-	(258)	-	7,440
DfE group capital grants	857	75	(22)	(102)	808
Capital expenditure from GAG and other funds	88	-	(15)	60	133
	<u>8,643</u>	<u>75</u>	<u>(295)</u>	<u>(42)</u>	<u>8,381</u>
Total restricted funds	<u>7,755</u>	<u>6,049</u>	<u>(6,583)</u>	<u>(756)</u>	<u>6,465</u>
Unrestricted funds					
General funds	792	32	(3)	(42)	779
	<u>792</u>	<u>32</u>	<u>(3)</u>	<u>(42)</u>	<u>779</u>
Total funds	<u>8,547</u>	<u>6,081</u>	<u>(6,586)</u>	<u>(798)</u>	<u>7,244</u>

18 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	-	-	8,125	8,125
Current assets	622	764	262	1,648
Creditors falling due within one year	-	(531)	-	(531)
Defined benefit pension liability	-	(2,090)	-	(2,090)
	<u>622</u>	<u>(1,857)</u>	<u>8,387</u>	<u>7,152</u>
Total net assets	<u>622</u>	<u>(1,857)</u>	<u>8,387</u>	<u>7,152</u>

ST CATHERINE'S CATHOLIC SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

18 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General Fixed asset £'000 £'000		Total Funds £'000
Fund balances at 31 August 2019 are represented by:				
Tangible fixed assets	-	-	8,356	8,356
Current assets	779	650	25	1,454
Creditors falling due within one year	-	(441)	-	(441)
Defined benefit pension liability	-	(2,125)	-	(2,125)
	<hr/>	<hr/>	<hr/>	<hr/>
Total net assets	779	(1,916)	8,381	7,244

19 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 31 March 2016.

Contributions amounting to £96k (2019: £75k) were payable to the schemes at 31 August 2020 and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

ST CATHERINE'S CATHOLIC SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

19 Pension and similar obligations

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 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. The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

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

The employer's pension costs paid to the TPS in the period amounted to £605k (2019: £441k).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 18.3% for employers and 5.5% to 12.5% for employees.

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

Total contributions made	2020	2019
	£'000	£'000
Employer's contributions	229	190
Employees' contributions	56	57
	<hr/>	<hr/>
Total contributions	285	247
	<hr/>	<hr/>

Principal actuarial assumptions	2020	2019
	%	%
Rate of increase in salaries	3.9	3.60
Rate of increase for pensions in payment/inflation	2.5	2.20
Discount rate for scheme liabilities	1.8	1.80
Inflation assumption (CPI)	2.4	2.10
	<hr/>	<hr/>

ST CATHERINE'S CATHOLIC SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

19 Pension and similar obligations

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

	2020	2019
	Years	Years
Retiring today		
- Males	22.4	23.2
- Females	25.1	26.2
Retiring in 20 years		
- Males	24.0	25.4
- Females	27.1	28.5

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

	2020	2019
	£'000	£'000
Discount rate + 0.1%	5,382	5,165
Discount rate - 0.1%	5,590	
Mortality assumption + 1 year	5,642	5,371
Mortality assumption - 1 year	5,332	
CPI rate + 0.1%	5,500	5,390
CPI rate - 0.1%	5,470	
Salary Rate + 0.1%	5,589	5,296
	<u>5,383</u>	<u> </u>

Defined benefit pension scheme net liability

Scheme assets	3,395	3,151
Scheme obligations	(5,485)	(5,276)
Net liability	<u>(2,090)</u>	<u>(2,125)</u>

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

	2020	2019
	Fair value	Fair value
	£'000	£'000
Equities	1,697	1,459
Other bonds	577	356
Cash	34	66
Government bonds	407	337
Property	340	315
Other assets	340	618
Total market value of assets	<u>3,395</u>	<u>3,151</u>

The actual return on scheme assets was £119,000 (2019: £255,000).

ST CATHERINE'S CATHOLIC SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

19 Pension and similar obligations

Amount recognised in the Statement of Financial Activities	2020	2019
	£'000	£'000
Current service cost	332	285
Past service cost	35	140
Interest income	(59)	(78)
Interest cost	93	106
Administration expenses	8	-
Total operating charge	<u>409</u>	<u>453</u>

Changes in the present value of defined benefit obligations

	2020
	£'000
At 1 September 2019	5,276
Current service cost	332
Interest cost	93
Employee contributions	56
Actuarial (gain)/loss	(260)
Benefits paid	(47)
Past service cost	35
At 31 August 2020	<u>5,485</u>

Changes in the fair value of the Academy Trust's share of scheme assets

	2020
	£'000
At 1 September 2019	3,151
Interest income	59
Actuarial loss/(gain)	(45)
Employer contributions	229
Employee contributions	56
Benefits paid	(47)
Effect of non-routine settlements and administration expenses	(8)
At 31 August 2020	<u>3,395</u>

ST CATHERINE'S CATHOLIC SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

20	Reconciliation of net expenditure to net cash flow from operating activities	2020	2019
		£'000	£'000
	Net expenditure for the reporting period (as per the statement of financial activities)	(307)	(505)
	Adjusted for:		
	Capital grants from DfE and other capital income	(290)	(75)
	Investment income receivable	(8)	(6)
	Defined benefit pension costs less contributions payable	146	235
	Defined benefit pension scheme finance cost	34	28
	Depreciation of tangible fixed assets	288	295
	(Increase)/decrease in debtors	(388)	59
	Increase in creditors	90	78
	Net cash (used in)/provided by operating activities	(435)	109

21	Analysis of changes in net funds	1 September 2019	Cash flows	31 August 2020
		£'000	£'000	£'000
	Cash	1,279	(180)	1,099

22 Commitments under operating leases

At 31 August 2020 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2020	2019
	£'000	£'000
Amounts due within one year	7	7
Amounts due in two and five years	14	23
	21	30

23 Capital commitments

	2020	2019
	£'000	£'000
Expenditure contracted for but not provided in the Financial Statements	249	6

At the 31 August 2020, the academy was committed to the completion of one capital project (Central Block Roof Renewal) with a project cost of £302k, costs incurred to date of £53k, with expected future costs of £249k.

ST CATHERINE'S CATHOLIC SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

24 Members' liability

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

25 Related party transactions

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH and in accordance with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period.

During the year under review, the charitable company purchased services from two Trustees, A Moffatt and P Barber for £750 and £875, respectively. No amounts were outstanding at the year end.