

**St Alban's Catholic High School**

**(A Company Limited by Guarantee)**

**Annual Report and Financial Statements**

**Year ended 31 August 2019**

**Company Registration Number:**

**07902662 (England and Wales)**

**Contents**

Reference and Administrative Details.....	3
Trustees' Report.....	4
Governance Statement.....	10
Statement of Regularity, Propriety and Compliance.....	13
Statement of Trustees' Responsibilities.....	14
Independent Auditor's Report on the Financial Statement .....	15
Independent Reporting Accountant's Assurance Report on Regularity.....	17
Statement of Financial Activities incorporating Income & Expenditure Account.....	19
Statement of Financial Activities for 2017/18 showing comparatives by fund.....	20
Balance Sheet.....	21
Statement of Cash Flows .....	22
Notes to the Financial Statements, incorporating:	
Statement of Accounting Policies .....	23
Other Notes to the Financial Statements .....	27

**Reference and Administrative Details**

Members	Bishop Alan Hope Father David Bagstaff East Anglia Roman Catholic Diocese Trust Mr David Verney		
Trustees *= members of the Infrastructure	Mr David Verney* - Chairman Mrs Joanna McCall - Vice Chair Father John Warrington Mr Martin Woor* Mrs Rita Jenner Mr Stephen Tidball Mrs Anne Cleary Father Tony Rogers Mr Philip Dance Mr John West* Miss Vicky Squirrel Mr Austin Adigwe Mrs Lisa Weichert Mr Ian Wallace* Mrs Louise Everitt Mr Jason Horne Mr Matthew Baker* Mr Sean Hayes	Foundation Foundation Foundation Foundation Foundation Foundation Foundation Foundation Foundation Foundation Foundation Foundation Parent Parent Parent Staff Ex-Officio Ex-Officio	Resigned 23/09/2019  Resigned 26/09/2018  Resigned 12/11/2018  Appointed 01/09/2018  Resigned 23/09/2019 Appointed 01/12/2018 Appointed 01/03/2019 Resigned 14/05/2019 Resigned 12/09/2018
Senior Managers			
Executive Headteacher Headteacher Deputy Headteacher Assistant Headteacher Assistant Headteacher Assistant Headteacher Business Manager (CFO)	Mr Sean Hayes Mr Matthew Baker Mr Simon Corless Mrs Laura Lawrence Mrs Sarah Morris Mr Jason Horne Mr Seán Salter		Left 31/08/2019      Left 31/07/2019
Registered Office	St Alban's Catholic High School Digby Road Ipswich IP4 3NJ		
Company Registration Number	07902662		
Auditors	Ensors Accountants LLP Cardinal House 46 St Nicholas Street Ipswich IP1 1TT		
Bankers	Lloyds Bank Cornhill Ipswich IP1 1AQ		

## **Trustees' Report**

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2018 to 31 August 2019. This report also meets the requirement to provide a directors' report under company law.

The financial statements have been prepared in accordance with the accounting policies on pages 23-26 of the attached financial statements, and comply with the charitable company's memorandum and articles of association, the Companies Act 2006, the requirements of the Financial Reporting Standard FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS102), the Charities SORP 2015 (SORP 2015) and the Academies Accounts Direction 2018-2019.

During the year the trustees discussed the case of joining a Multi-Academy Trust. On 1 July the Academy joined Our Lady of Walsingham Catholic Multi Academy Trust and St Alban's Catholic High School Academy Trust ceased operating. This report, therefore, mainly covers the period 1 September 2018 to 30 June 2019. Details of on-going work of St Alban's Catholic High School can be found in the annual report of Our Lady of Walsingham Catholic Multi Academy Trust.

## **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 Alban's Catholic High School are also the directors of the charitable company for the purposes of company law. The charitable company is known as St Alban's Catholic High School.

Details of the trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on page 3.

### **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 opted into the Department for Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK Government funds losses that arise which would otherwise be covered by insurance. This scheme protects Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business.

## **Method of Recruitment and Appointment or Election of Trustees**

The management of the company is the responsibility of the Trustees who are appointed under the terms of the Articles of Association. Trustees are subject to retirement after a term of 4 years. After the term they are eligible for re-appointment.

The Diocesan Bishop may appoint 10 Foundation Trustees one of whom shall be a member of the Roman Catholic clergy.

The Governing Body may appoint Staff Trustees through such process as they may determine, provided that the total number of Trustees (including the Headteacher) who are employees of the Academy Trust does not exceed one third of the total number of Trustees and Article 58A of the Memorandum and Articles of Association.

The Governing Body may appoint one Community Trustee provided that the total number of Community Trustees, Staff Trustees, the Headteacher and Parent Trustees does not exceed the number of Foundation Trustees plus two.

The Headteacher or Executive Headteacher shall be treated for all purposes as being an ex officio Trustee.

The Parent Trustees shall be elected by parents of registered pupils at the Academy Trust. A Parent Trustee must be a parent or carer of a pupil at the Academy Trust at the time when he/she is elected.

The number of Parent Trustees required shall be made up by Parent Trustees appointed by the Governing Body if the number of parents standing for election is less than the number of vacancies.

The Governing Body shall make all necessary arrangements for, and determine all other matters relating to, an election of Parent Trustees, including any question of whether a person is a parent of a registered pupil at the Academy Trust. Any election of Parent Trustees which is contested shall be held by secret ballot.

## **Trustees' Report (continued)**

The arrangements made for the election of a Parent Trustee shall provide for every person who is entitled to vote in the election to have an opportunity to do so by post or, if he prefers, by having his ballot paper returned to the Academy Trust by a registered pupil at the Academy Trust.

Where a vacancy for a Parent Trustee is required to be filled by election, the Governing Body shall take such steps as are reasonably practical to secure that every person who is known to them to be a parent or carer of a registered pupil at the Academy Trust is informed of the vacancy and that it is required to be filled by election, informed that he is entitled to stand as a candidate, and vote at the election, and given an opportunity to do so.

In appointing a Parent Trustee, the Governing Body shall appoint a person who is the parent of a registered pupil at the Academy Trust; or where it is not reasonably practical to do so, a person who is the parent or carer of a child of compulsory school age.

The Staff Trustees shall be elected by a secret ballot of all staff employed under a contract of employment or a contract for services or otherwise engaged to provide services to the Academy Trust (excluding the Headteacher). All arrangements for the calling and the conduct of the election and resolution of questions as to whether any person is an eligible candidate shall be determined by the Trustees. If a Staff Trustee ceases to work at the Academy Trust, then he shall be deemed to have resigned and shall cease to be a Trustee automatically on termination of his work at the Academy Trust. Any election of a Staff Trustee which is contested shall be held by secret ballot.

### **Co-Opted Trustees**

The Trustees may appoint up to three Co-opted Trustees provided that if any such Trustees are appointed the number of Foundation Trustees shall increase proportionately to ensure that a majority of Trustees plus two are Foundation Trustees. A 'Co-opted Trustee' means a person who is appointed to be a Trustee by being Co-opted by Trustees who have not themselves been so appointed. The Trustees may not co-opt an employee of the Academy Trust as a Co-opted Trustee if thereby the number of Trustees who are employees of the Academy Trust would exceed one third of the total number of Trustees (including the Headteacher).

### **Appointment of Additional Trustees**

The Secretary of State may give a warning notice to the Trustees and the Diocesan Bishop where he is satisfied:

- that the standards of performance of pupils at the Academy Trust are unacceptably low, or
- that there has been a serious breakdown in the way the Academy Trust is managed or governed, or
- that the safety of pupils or staff of the Academy Trust is threatened (whether by a breakdown of discipline or otherwise).

### **Policies & Procedures Adopted for the Induction and Training of Trustees**

All new Trustees are given a tour of the Academy and the chance to meet with staff and students. All Trustees have access to copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only one or two new Trustees a year, induction tends to be done informally and is tailored specifically to the individual.

### **Organisational Structure**

The management structure consists of three levels; the Trustees, Governing Body Committees and the Senior Leadership Team. The Trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy Trust by the use of budgets and making major decisions about the direction of the Academy Trust, capital expenditure and staff appointments. Committees of the Governing body have delegated responsibilities. Committees exist for; Infrastructure, Pupils, Staff and Salaries. The Governing Body has no involvement in the day-to-day management of the Academy Trust.

The Senior Leadership Team consisted of the Executive Headteacher, Headteacher, Deputy Principal, three Assistant Principals and the Business Manager (Director of Finance). These managers control the Academy Trust at an executive level implementing the policies laid down by the Trustees and reporting back to them.

### **Arrangements for Setting Pay and Remuneration of Key Management Personnel**

The key management personnel of the Academy Trust comprise the Trustees and the Senior Leadership Team. Trustees are not remunerated for their services as a trustee. The Trustees operate a whole school policy to setting pay and remuneration based upon the School Teachers' Pay and Conditions document, and for support staff the Local Government Service Pay Scales.

**Trustees' Report (continued)****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	1.40

**Percentage of time spent on facility time**

Percentage of time	Number of employees
0%	2
1% - 50%	-
51% - 99%	-
100%	-

**Percentage of pay bill spent on facility time**

Total cost of facility time	0
Total pay bill	0
Percentage	0

**Related Parties and other Connected Charities and Organisations**

As a Catholic faith school the Academy Trust conducts its education business in accordance with the principles of the Catholic Church and has regard to any advice and directives issued by the Diocesan Bishop (Diocese of East Anglia). As such the Diocesan Bishop is a member of the Academy Trust.

St Alban's Catholic High School also has links with three Catholic Primary Schools in Ipswich which form part of a school pyramid. Staff expertise is occasionally shared, but there is no specific financial or legal connection.

**Objectives and Activities****Objects and Aims**

The Academy Trust's object is specifically restricted to the following:

To advance for the public benefit of education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a Catholic school designated as such, which shall offer a broad and balanced curriculum and shall be conducted in accordance with the principles, practices and tenets of the Catholic Church and all Catholic canon law applying thereto, including any trust deed governing the use of land used by the Academy Trust, both generally and in particular in relation to arranging for religious education and daily acts of worship and having regard to any advice and following directives issued by the Diocesan Bishop.

**Objectives, Strategies and Activities**

Following the result of the school's Ofsted inspection in September 2017, a new School Improvement Plan was developed, identifying clear targets and strategies that would underpin the Academy Trust's aim of becoming 'good' at the earliest opportunity. In conjunction with the school's Senior Leadership Team, the Trustees identified broad objectives which enable the achievement of the improvement plan. This plan focused on five key areas of the school; Catholic Life; Leadership; Quality of Teaching; Outcomes and Interventions; and Behaviour and Welfare. Progress for the period 1 September 2018 to 30 June 2019 included:

## Trustees' Report (continued)

- Student engagement in 'Faith in Action'
- Spiritual leadership has been supported by professional development
- Form prayer inspections
- Embedded a new pastoral leadership model that includes Heads of Year
- Implementation of GCSE pathways, providing a flexible and broad curriculum
- Diocesan MAT (Multi Academy Trust) engagement resulting in transfer
- Sixth Form leadership developed to include a Deputy Head of Sixth Form
- Embedded rigorous quality assurance to Performance Management
- Developed a clear and costed plan to support disadvantaged pupils
- Safeguarding procedures are reviewed regularly
- Developed pupil rewards scheme

Progress continued in respect of these objectives after the school joined Our Lady of Walsingham Catholic Multi Academy Trust on 1 July 2019 and outcomes are reported on in the Trustees Annual Report for Our Lady of Walsingham Catholic Multi Academy Trust.

## Public Benefit

The Academy Trust has complied with its duty to have due regard to the guidance on public benefit published by the Charity Commission as per Charities SORP Appendix 1: Glossary of terms:

*"an entity whose primary objective is to provide goods or services for the general public, community or social benefit and where any equity is provided with a view to supporting the entity's primary objectives rather than with a view to providing a financial return to equity providers, shareholders or members"*

St Alban's is a mixed secondary school with Sixth Form, in total there are just under 1,000 pupils. St Alban's is the only Catholic High School in the Ipswich area. It has to be said at the outset that Christian schools are different. The best schools, in our view, are the ones in which the environment of the school is permeated by Gospel values, a dedication to the teaching of Jesus Christ and a love of one's neighbour. All of us who work at St Alban's are aware of these distinguishing features, and also identify as people who put these ideas of *learning, respecting and caring* into practice. St Alban's therefore sees itself as a community, helping parents and parishes to develop the whole life of the young people in its care.

The School has had a good academic tradition achieving very impressive results in external examinations. St Alban's still enjoys a good reputation with parents and their children and this is reflected in the number of applications the school receives each year. The proportion of St. Alban's pupils progressing to A-level and other courses after the age of 16 years is significantly above the Suffolk county average. Many also go on to universities or colleges of further education. Those pupils less suited to academic studies also make great progress and benefit from a well-devised programme of support. The school provides a wide range of extra-curricular activities for all its students at lunchtime and after school.

## Trustees' Report (continued)

### Strategic Report

#### Achievements and Performance

A summary of our results are below:

<b>GCSE - % of pupils gaining 4+ in English and Mathematics (Previous years A* - C)</b>	
<b>2014-2015</b>	<b>69%</b>
<b>2015-2016</b>	<b>66%</b>
<b>2016-2017</b>	<b>67%</b>
<b>2017-2018</b>	<b>72%</b>
<b>2018-2019</b>	<b>64%</b>

<b>A Level pass rate</b>	
<b>2014-2015</b>	<b>99%</b>
<b>2015-2016</b>	<b>99%</b>
<b>2016-2017</b>	<b>100%</b>
<b>2017-2018</b>	<b>97%</b>
<b>2018-2019</b>	<b>94%</b>

#### Key Performance Indicators

St Alban's was inspected by Ofsted on 20 September 2017. The outcome of this inspection was that the school was judged as 'Requires Improvement'. The previous inspection, in May 2013, judged the school to be 'Good'.

The total number of students funded in the year ended 31 August 2019 numbered 964 (including 133 in Sixth Form). The Published Admission Number for years 7 to 11 is 168.

The school continues to be oversubscribed in years 7 to 11 however numbers in our Sixth Form have continued to decrease.

The school continues to focus on reducing pupil absenteeism. The percentage of student sessions (half days) missed through authorised absence is 3.1% (National average 3.9%). The percentage of student sessions (half days) missed through unauthorised absence is 0.8% (National average 1.6%)

#### Going Concern

On 1 July 2019 the Academy joined Our Our Lady of Walsingham Catholic Multi Academy Trust and St Alban's Catholic High School ceased operating. Further details can be found in the Statement of Accounting Policies.

#### Financial Review

Most of the Academy Trust's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. These grants received from the ESFA during the year ended 31 August 2019 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Academy Trust has also been in receipt of capital grants from the ESFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2015), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

On 1 July 2019 the Academy joined Our Lady of Walsingham Catholic Multi Academy Trust and St Alban's Catholic High School Academy Trust ceased operating. The Academy Trust made a deficit on unrestricted and general purpose restricted funds (GAG) of £397,345 before the transfer to Our Lady of Walsingham Catholic Multi Academy Trust. However, it should be noted that a holiday pay accrual of £303,664 was required to be included in accordance with Financial Reporting Standard 102 and if we exclude this accrual then the deficit would have been £93,681. The overall deficit for the year before actuarial losses and the transfer to Our Lady of Walsingham Catholic Multi Academy Trust was £180,348, this included capital income of £265,560 in relation to a successful condition improvement grant awarded during the year. On 1 July 2019 Assets and Liabilities, totalling £439,811 were transferred to the receiving Trust. A breakdown of the reserves transferred is given in note 25.



## **Trustees' Report (continued)**

### **Reserves Policy**

The Academy Trust's reserves as at 30 June 2019 now form part of Our Lady of Walsingham Catholic Multi Academy Trust reserves and details of their reserves policy is contained within the Annual Trustees Report for Our Lady of Walsingham Catholic Multi Academy Trust.

### **Investment Policy**

Academy Trust bank balances are held with an appointed bank with proven experience in managing Academy Trust bank accounts and funds. The appointed bank must also have satisfactory credit ratings and this will be monitored by Trustees on an on-going basis. The Infrastructure Committee has approved that short-term low-risk investments are made when the Academy bank balance allows. This policy should be reviewed yearly and whenever there are significant changes in staff hours, pupil/staff numbers or interest rates.

### **Principal Risks and Uncertainties**

Details of the principal risks and uncertainties facing St Albans Catholic High School are disclosed within the Annual Trustees Report for Our Lady of Walsingham Catholic Multi Academy Trust

### **Fundraising**

The academy trust carries out a limited amount of fundraising, mindful of the communities within which it operates. In the circumstances when fundraising is undertaken, systems and controls are in place to separate and protect funds. The trust is mindful of its responsibilities under the Charities (Protection and Social Investment) Act 2016 and legal rules, and ensures all activities are agreed and monitored at Senior Leadership Team level in compliance with relevant legal rules.

Recognised standards are applied to ensure that fundraising is open, honest and respectful, protecting the public from undue pressure to donate. There were no complaints received in this period, however any complaints received would be handled and monitored through the Trust's complaints procedure.

### **Plans for Future Periods**

Details of the future plans of St Albans Catholic High School are disclosed within the Annual Trustees Report for Our Lady of Walsingham Catholic Multi Academy Trust.

### **Auditor**

Insofar 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 2nd December 2019 and signed on the board's behalf by:

**Joanna McCall**  
Trustee

**2<sup>nd</sup> December 2019**

## Governance Statement

### Scope of Responsibility

As trustees we acknowledge we have overall responsibility for ensuring that St Albans Catholic High 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 Headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between St Albans Catholic High School and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met four times during the period to 30 June 2019, which was thought to be sufficient to maintain effective oversight of funds given the Academy joined Our Lady of Walsingham Catholic Multi Academy Trust on 1 July 2019 and after this date the board no longer had control of these funds. Attendance during the period at meetings of the board of trustees was as follows:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Mr Austine Adigwe	1	2
Mr Matthew Baker	4	4
Mrs Anne Cleary	4	4
Mr Philip Dance	4	4
Mrs Louise Everitt	2	4
Mr Sean Hayes	4	4
Mr Jason Horne	4	4
Mrs Rita Jenner	4	4
Mrs Joanna McCall	4	4
Fr Tony Rogers	4	4
Miss Vicky Squirrell	3	3
Mr Stephen Tidball	0	1
Mr David Verney	4	4
Mr Ian Wallace	0	1
Mrs Lisa Weichert	3	3
Mr John West	4	4
Mr Martin Woor	2	4

There were no key changes in the composition of the board of trustees for the period to 30 June 2019. There were no Governance reviews undertaken during the period.

The Infrastructure Committee is a sub-committee of the main board of trustees. Its purpose is to monitor and approve the Academy Trust budgets, finance and premises policies, assess the overall exposure to financial and premises related risk and make strategic decisions related to these. The Infrastructure Committee also fulfils the function of the audit committee.

Attendance at meetings in the year was as follows

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Mr Matthew Baker	3	3
Mr David Verney	3	3
Mr Ian Wallace	0	0
Mr John West	3	3
Mr Martin Woor	2	3

## **Governance Statement (continued)**

### **Review of Value for Money**

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

The accounting officer considers how the academy trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the academy trust has delivered improved value for money during the year by: improved teaching staff efficiency, on-going procurement exercises, bringing in significant grant income to offset staff costs.

### **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 Alban's Catholic High School for the period 1 September 2018 to 30 June 2019.

### **Capacity to Handle Risk**

The board of trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2018 to 30 June 2019. 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 Infrastructure Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks

The board of trustees has considered the need for a specific internal audit function and has decided to appoint Schools' Choice to undertake an internal audit support service, with a Trustee acting as a reporting link to the governing body. The internal auditor role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. In particular, the checks carried out in the current period included:

- Planning Cycle & Budget,
- Petty Cash,
- Income Controls,
- Inventory,
- Data Security,
- Tax and Insurance.

On a termly basis, following the reviews from Schools' Choice, the trustee representative reports to the board of trustees through the Infrastructure committee and full governing body on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. During the period ending 30 June 2019, Schools' Choice has delivered their schedule as planned. Their financial assessment was one of 'Requires Improvement' and this report has been taken up and acted upon by the new Trust.

**Governance Statement (continued)**  
**Governance Statement (continued)**

**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 (trustee representative)
- the work of the external auditor
- 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 Infrastructure Committee and has addressed the actions within the action plan and ensures continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 2nd December 2019 and signed on its behalf by:

**Joanna McCall**  
Trustee

**Matthew Baker**  
Accounting Officer

**2<sup>nd</sup> December 2019**

## **Statement of Regularity, Propriety and Compliance**

As accounting officer of St Alban's Catholic High School, I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, 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 2018.

I confirm that I and the academy trust 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 2018.

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the board of trustees and ESFA. If any instances are identified after the date of this statement, these will be notified to the board of trustees and ESFA:

- Irregular procurement expenditure in relation to alcohol gifted to speakers totalling £108.

**Matthew Baker**  
Accounting Officer

**2<sup>nd</sup> December 2019**

## Statement of Trustees' Responsibilities

The trustees (who act as governors of St Alban's Catholic High School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare the 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 2015 and the Academy Accounts Direction 2018 to 2019;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards [FRS 102] have been followed subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by the order of the members of the board of trustees on 2nd December 2019 and signed on its behalf by:

**Joanna McCall**  
Trustee

**2<sup>nd</sup> December 2019**

## **Independent Auditor's Report on the Financial Statements to the Members of Trustees of St Alban's Catholic High School**

### **Opinion**

We have audited the financial statements of St Alban's Catholic High School (the 'academy trust') for the year ended 31 August 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2019, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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.

### **Emphasis of matter – non-going concern basis of preparation**

We draw attention to the disclosure made in note 1 to the financial statements which explains that the financial statements have not been prepared on the going concern basis for the reason set out in that note. Our opinion is not modified in respect of this matter.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Other information includes the trustees' report (incorporating the strategic report and the directors' report), the governance statement, and the Accounting Officer's statement. 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.

### **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 (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

## Independent Auditor's Report on the Financial Statements to the Members of Trustees of St Alban's Catholic High School (continued)

### Matters on which we are required to report by exception

In the light of our 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 strategic report and the directors' 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 directors' 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 trustees' responsibilities statement set out on page 14, the trustees (who are also the directors of the academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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 academy trust or to cease operations, 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: <https://www.frc.org.uk/auditorsresponsibilities> . This description forms part of our auditor's report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### Use of this report

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

Ensors Accountants LLP  
Cardinal House  
46 St Nicholas Street  
Ipswich  
IP1 1TT

.....  
Helen Rumsey (Senior Statutory Auditor)  
For and on behalf of Ensors Accountants LLP, Statutory Auditor

Date:.....



## **Independent Reporting Accountant's Assurance Report on Regularity to St Alban's Catholic High School and the Education and Skills Funding Agency**

In accordance with the terms of our engagement letter dated 19 October 2016 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St Alban's Catholic High School during the period 1 September 2018 to 31 August 2019 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 Alban's Catholic High School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to St Alban's Catholic High 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 Alban's Catholic High School and ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of St Alban's Catholic High School's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of St Alban's Catholic High School's funding agreement with the Secretary of State for Education dated May 2011 and the Academies Financial Handbook, extant from 1 September 2018, 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 2018 to 2019. 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 from 1 September 2018 to 31 August 2019 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 2018 to 2019 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusions includes:

- Enquiry of senior management and the academy's Trustees.
- Inspection and review of the accounting records, meeting minutes, internal control procedures, management representations and declarations of interest.
- Observation and re-performance of the financial controls.
- Review of the results of the Academy's process of independent checking of financial controls, systems, transactions and risks.

**Independent Reporting Accountant's Assurance Report on Regularity to St Alban's Catholic High School and the Education and Skills Funding Agency (continued)**

**Conclusion**

In the course of our work, except for the matter below, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period from 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

- Irregular procurement expenditure in relation to alcohol gifted to speakers totalling £108.

Reporting Accountant

Ensors Accountants LLP  
Cardinal House  
46 St Nicholas Street  
Ipswich  
IP1 1TT

Date:.....

**Statement of Financial Activities for the period ended 31 August 2019  
(including Income and Expenditure Account)**

	Notes	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2019 £	Total 2018 £
<b>Income and endowments from:</b>						
Donations and capital grants	2	4,527	13,650	341,695	<b>359,872</b>	35,638
<i>Charitable activities:</i>						
Funding for the academy trust's educational operations	3	6,636	4,281,770	-	<b>4,288,406</b>	5,056,787
Other trading activities	4	96,540	-	-	<b>96,540</b>	117,487
Investments	5	3,622	-	-	<b>3,622</b>	3,287
<b>Total</b>		<u>111,325</u>	<u>4,295,420</u>	<u>341,695</u>	<b><u>4,748,440</u></b>	<u>5,213,199</u>
<b>Expenditure on:</b>						
Raising Funds	6	6,162	-	-	<b>6,162</b>	17,789
<i>Charitable activities:</i>						
Academy trust educational operations	7	192,778	4,671,669	58,179	<b>4,922,626</b>	5,234,261
Transfer out on Academy joining a MAT		706,743	(867,353)	600,421	<b>439,811</b>	
<b>Total</b>		<u>905,683</u>	<u>3,804,316</u>	<u>658,600</u>	<b><u>5,368,599</u></b>	<u>5,252,050</u>
<b>Net income / (expenditure)</b>		(794,358)	491,104	(316,905)	<b>(620,159)</b>	(38,851)
<b>Transfers between funds</b>	15	-	14,559	(14,559)	-	-
<b>Other recognised gains / (losses):</b>						
Actuarial (losses) / gains on defined benefit pension schemes	15, 22	-	(238,000)	-	<b>(238,000)</b>	429,000
<b>Net movement in funds</b>		<u>(794,358)</u>	<u>267,663</u>	<u>(331,464)</u>	<b><u>(858,159)</u></b>	<u>390,149</u>
<b>Reconciliation of funds</b>						
Total funds brought forward at 1 September 2018	15	<u>794,358</u>	<u>(267,663)</u>	<u>331,464</u>	<b><u>858,159</u></b>	<u>468,010</u>
<b>Funds carried forward at 31 August 2019</b>		<u>-</u>	<u>-</u>	<u>-</u>	<b><u>-</u></b>	<u>858,159</u>

All of the Academy Trust's activities derive from discontinued operations following the management of the academy transferring to another trust with effect from 1 July 2019 and therefore 2019 figures relate to a 10 month period of operations.

**Statement of Financial Activities for the period ended 31 August 2018  
(including Income and Expenditure Account) showing comparatives by fund**

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2018 £
<b>Income and endowments from:</b>				
Donations and capital grants	4,620	8,900	22,118	<b>35,638</b>
<i>Charitable activities:</i>				
Funding for the academy trust's educational operations	763	5,056,024	-	<b>5,056,787</b>
Other trading activities	117,487	-	-	<b>117,487</b>
Investments	3,287	-	-	<b>3,287</b>
<b>Total income and endowments</b>	<b>126,157</b>	<b>5,064,924</b>	<b>22,118</b>	<b>5,213,199</b>
<b>Expenditure on:</b>				
Raising Funds	17,769	20	-	<b>17,789</b>
<i>Charitable activities:</i>				
Academy trust educational operations	11,722	5,160,134	62,405	<b>5,234,261</b>
<b>Total expenditure</b>	<b>29,491</b>	<b>5,160,154</b>	<b>62,405</b>	<b>5,252,050</b>
<b>Net income / (expenditure)</b>	<b>96,666</b>	<b>(95,230)</b>	<b>(40,287)</b>	<b>(38,851)</b>
<b>Transfers between funds</b>	-	(47,978)	47,978	-
<b>Other recognised gains / (losses):</b>				
Actuarial gains on defined benefit pension schemes	-	429,000	-	<b>429,000</b>
<b>Net movement in funds</b>	<b>96,666</b>	<b>285,792</b>	<b>7,691</b>	<b>390,149</b>
<b>Reconciliation of funds</b>				
Total funds brought forward at 1 September 2017	697,692	(553,455)	323,773	<b>468,010</b>
<b>Funds carried forward at 31 August 2018</b>	<b>794,358</b>	<b>(267,663)</b>	<b>331,464</b>	<b>858,159</b>

**Balance Sheet as at 31 August 2019**

	Notes	2019 £	2018 £
<b>Fixed Assets</b>			
Intangible assets	11	-	3,415
Tangible assets	12	-	283,449
		<u>-</u>	<u>286,864</u>
<b>Current assets</b>			
Debtors	13	-	153,447
Cash at bank and in hand		<b>146,846</b>	1,259,998
		<u>146,846</u>	<u>1,413,445</u>
<b>Liabilities</b>			
Creditors: Amounts falling due within one year	14	<b>(146,846)</b>	(221,150)
<b>Net current assets</b>		-	<u>1,192,295</u>
<b>Net assets excluding pension liability</b>			
		<u>-</u>	<u>1,479,159</u>
Defined benefit pension scheme liability	22	-	(621,000)
		<u>-</u>	<u>858,159</u>
<b>Total net assets</b>			
<b>Funds of the academy trust:</b>			
<b>Restricted funds</b>			
- Fixed asset fund	15	-	331,464
- Restricted income fund	15	-	353,337
- Pension reserve	15	-	(621,000)
<b>Total restricted funds</b>		<u>-</u>	<u>63,801</u>
<b>Unrestricted income funds</b>	15	-	794,358
		<u>-</u>	<u>794,358</u>
<b>Total unrestricted funds</b>		<u>-</u>	<u>794,358</u>
		<u>-</u>	<u>858,159</u>
<b>Total funds</b>		<u>-</u>	<u>858,159</u>

The financial statements on pages 19-40 were approved by the trustees, and authorised for issue on **2<sup>nd</sup> December 2019** and are signed on their behalf by:

**Joanna McColl**  
Trustee

**Statement of Cash Flows for the period ended 31 August 2019**

	Notes	<b>2019</b> £	<b>2018</b> £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	18	<b>(297,555)</b>	<b>(64,517)</b>
<b>Cash flows from investing activities</b>			
Transfer out on Academy joining a MAT	19	<b>315,191</b>	<b>(22,573)</b>
		<b>(1,130,788)</b>	<b>-</b>
<b>Change in cash and cash equivalents in the reporting period</b>		<b><u>(1,113,152)</u></b>	<b><u>(87,090)</u></b>
<b>Reconciliation of net cash flow to movement in net funds</b>			
Cash and cash equivalents at 01 September 2018	20	<b>1,259,998</b>	<b>1,347,088</b>
<b>Cash and cash equivalents at 31 August 2019</b>		<b><u>146,846</u></b>	<b><u>1,259,998</u></b>

## Notes to the Financial Statements for the Year Ended 31 August 2019

### 1. Statement of Accounting Policies

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

#### Basis of Preparation

The financial statements of the Academy Trust, which is a public benefit entity under FRS102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (Charities SORP (FRS102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

#### Going Concern

The Trustees have been working with the Our Lady of Walsingham Catholic Multi Academy Trust to transfer the academy and all staff to their Trust on 1 July 2019. All assets, liabilities and operations of the Trust were transferred to Our Lady of Walsingham Catholic Multi Academy Trust for £nil consideration. From 1 July 2019 St Alban's Catholic High School Academy Trust ceased operating. Following the completion of the transfer, the Trustees intend to dissolve the company. For this reason, the financial statements have been prepared on a basis other than going concern. No material adjustments have arisen as a result of ceasing to apply the going concern basis.

The agreement to transfer all the assets and liabilities for £nil consideration to Our Lady of Walsingham Catholic Multi Academy Trust was entered into on 30 June 2019 with the transfer occurring on 1 July 2019. To reflect that the assets and liabilities were not under the control of the trust beyond 30 June 2019 the transfer is recognised in the Statement of Financial Activities as 'expenditure on charitable activity' at their book value transferred out. As a result, the balance sheet reflects no assets or liabilities as at 31 August 2019 other than in respect of the bank balance and corresponding creditor due to the new Trust.

#### Income

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

- **Grants**

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

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

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

- **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 the amount can be measured reliably.

- **Donations**

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

- **Other income**

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

## Notes to the Financial Statements for the Year Ended 31 August 2019

### 1. Statement of Accounting Policies (continued)

- **Donated goods, facilities and services**

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

- **Donated fixed assets (excluding Transfers on conversion/into trust)**

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

### Expenditure

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

- **Expenditure on Raising Funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

### Intangible Fixed Assets

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment

Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight line basis over its expected useful life, as follows

Purchased computer software	33%
-----------------------------	-----

### Tangible Fixed Assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Costs incurred improving the properties, legally owned by the East Anglia Roman Catholic Diocese Trust, are not capitalised but included in expenditure.

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

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



## Notes to the Financial Statements for the Year Ended 31 August 2019

### 1. Statement of Accounting Policies (continued)

- Leasehold Land and Buildings 2%
- Fixtures and Fittings 10%
- Plant and Equipment 20%
- Computer Hardware 20%-33%

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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

#### Liabilities

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

#### Provisions

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

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

#### Leased Assets

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

#### Financial Instruments

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

*Financial assets* – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments.

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 14. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

#### Taxation

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

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

#### Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in Note 22 the TPS is a multi-employer scheme with no

## Notes to the Financial Statements for the Year Ended 31 August 2019

### 1. Statement of Accounting Policies (continued)

underlying assets to assign between employees. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit asset/liability 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 scheme assets and the actual return on scheme assets is recognised in other recognised gains and losses.

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

#### 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 the funders where the asset acquired or created is held for a specific purpose.

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

#### Critical accounting estimates and areas of judgement

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

#### Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions includes the discount rate. Any changes in these assumptions, which are disclosed in note 22, 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 30 June 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact the carrying amount of the pension liability.

#### Critical areas of judgement

The legal owner of the school premises (excluding the playing fields) is the East Anglia Roman Catholic Diocesan Trust and the Academy Trust occupies the premises by way of a supplementary use agreement. The Trustees have exercised judgement to conclude that control remains with the East Anglia Roman Catholic Diocesan Trust and not the Academy Trust and therefore the land and buildings are not shown on the Academy Trust's Balance Sheet.

In relation to the use of the above premises the Trustees do not feel a notional rent expense and a notional donation can be reliably measured and therefore this has not been recognised within the accounts

#### Agency Arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 24.

**Notes to the Financial Statements for the Year Ended 31 August 2019****2 Donations and Capital Grants**

	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
<b>Capital grants</b>				
Devolved Formula Capital	-	76,135	76,135	22,118
Condition Improvement Fund	-	265,560	265,560	-
<b>Other donations</b>				
The Ropes Trust	-	13,650	13,650	8,900
The Friends of St Albans	-	-	-	3,110
Other Donations	4,527	-	4,527	1,510
	<b>4,527</b>	<b>355,345</b>	<b>359,872</b>	<b>35,638</b>

**3 Funding for the Academy Trust's Educational Operations**

	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
<b>DfE/ESFA Revenue Grants</b>				
General Annual Grant	-	3,913,927	3,913,927	4,709,459
Other DfE/ESFA Grants	-	-	-	-
Pupil Premium	-	104,858	104,858	146,235
Year 7 Catch up Grant	-	5,893	5,893	5,964
Rates Relief	-	22,334	22,334	26,181
	-	4,047,012	4,047,012	4,887,839
<b>Other Government Grants</b>				
High Needs Tariff	-	85,444	85,444	50,757
Children in Care (CIC)	-	4,259	4,259	10,732
SCITT	-	2,300	2,300	2,000
BAR Method	-	24,950	24,950	-
CPD Opportunity Area Funding	-	29,082	29,082	-
Other government Grants	5,100	18,000	23,100	-
	5,100	164,035	169,135	63,489
<b>Other income from the academy trust's educational operations</b>				
Catering Income	26	-	26	-
Academy Trips	1,510	70,723	72,233	105,459
	<b>6,636</b>	<b>4,281,770</b>	<b>4,288,406</b>	<b>5,056,787</b>

**4 Other Trading Activities**

	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
Hire of Facilities	41,436	-	41,436	52,173
Items Sold	17,584	-	17,584	20,991
Fundraising	4,151	-	4,151	34
Income from Services Provided	5,107	-	5,107	6,507
Technology Support	5,302	-	5,302	4,706
Educational Materials	6,829	-	6,829	6,528
Exam Fees Income	1,676	-	1,676	2,835
Music Tuition	12,642	-	12,642	17,478
Alpha Guardians	-	-	-	2,200
NEACO	1,813	-	1,813	4,035
	<b>96,540</b>	<b>-</b>	<b>96,540</b>	<b>117,487</b>

**Notes to the Financial Statements for the Year Ended 31 August 2019****5 Investment Income**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total 2019</b>	<b>Total 2018</b>
	£	£	£	£
Bank Interest	3,622	-	<b>3,622</b>	3,287
	<b>3,622</b>	<b>-</b>	<b>3,622</b>	<b>3,287</b>

**6 Expenditure**

	<b>Non Pay Expenditure</b>			<b>Total 2019</b>	<b>Total 2018</b>
	<b>Staff Costs</b>	<b>Premises</b>	<b>Other</b>	£	£
	£	£	£	£	£
Expenditure on raising funds					
• Allocated Support Costs	-	-	6,162	<b>6,162</b>	17,789
Academy's educational operations					
• Direct Costs	3,261,191	58,179	336,799	<b>3,656,169</b>	4,034,350
• Direct Costs - transfer out of Academy on joining a MAT	-	-	439,811	<b>439,811</b>	
• Allocated Support Costs	684,494	312,445	269,518	<b>1,266,457</b>	1,199,911
	<b>3,945,685</b>	<b>370,624</b>	<b>1,052,290</b>	<b>5,368,599</b>	<b>5,252,050</b>

**Net Income/(expenditure) for the period includes:**

	<b>2019</b>	<b>2018</b>
	£	£
Operating lease rentals	<b>5,139</b>	6,223
Depreciation	<b>54,764</b>	57,493
Amortisation of intangible fixed assets (included within Charitable Activities - Academy trust educational operations)	<b>3,415</b>	4,912
Fees payable to auditor for:		
- audit	<b>10,090</b>	7,070
- other services	<b>5,110</b>	4,290
	<b>78,518</b>	<b>79,988</b>

**Notes to the Financial Statements for the Year Ended 31 August 2019****7 Charitable Activities**

	<b>Total 2019 £</b>	<b>Total 2018 £</b>
<b>Direct costs - educational operations</b>	<b>3,656,169</b>	<b>4,034,350</b>
<b>Direct costs - transfer out of Academy on joining a MAT</b>	<b>439,811</b>	<b>-</b>
<b>Support costs - educational operations</b>	<b>1,266,457</b>	<b>1,199,911</b>
	<b><u>5,362,437</u></b>	<b><u>5,234,261</u></b>

	<b>Educational Operations £</b>	<b>Total 2019 £</b>	<b>Total 2018 £</b>
<b>Analysis of support costs</b>			
Support staff costs	655,549	<b>655,549</b>	676,615
Depreciation	-	-	9,712
Technology costs	10,788	<b>10,788</b>	20,341
Premises costs	312,445	<b>312,445</b>	298,719
Other support costs	240,785	<b>240,785</b>	154,152
Governance costs	46,890	<b>46,890</b>	40,372
<b>Total support costs</b>	<b><u>1,266,457</u></b>	<b><u>1,266,457</u></b>	<b><u>1,199,911</u></b>

**8 Staff**

	<b>Total 2019 £</b>	<b>Total 2018 £</b>
<b>a. Staff costs</b>		
Staff costs during the period were:		
Wages and salaries	<b>2,954,969</b>	3,205,987
Social security costs	<b>285,025</b>	308,759
Operating costs of defined benefit pension schemes	<b>593,823</b>	680,302
	<b><u>3,833,817</u></b>	<b><u>4,195,048</u></b>
Supply staff costs	<b>111,868</b>	72,082
	<b><u>3,945,685</u></b>	<b><u>4,267,130</u></b>

**b. Staff numbers**

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

	<b>2019 No.</b>	<b>2018 No.</b>
Teachers	<b>62</b>	60
Administration and support	<b>50</b>	54
Management	<b>7</b>	5
	<b><u>119</u></b>	<b><u>119</u></b>

## Notes to the Financial Statements for the Year Ended 31 August 2019

### 8 Staff (continued)

#### c. Higher paid staff

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

	<b>2019</b>	<b>2018</b>
	<b>No.</b>	<b>No</b>
£60,001 - £70,000	-	1
£70,001 - £80,000	1	-
£80,001 - £90,000	1	-

#### d. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 3. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £390,520 (2018: £440,483)

### 9 Related Party Transactions - Trustees' Remuneration and Expenses

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment.

The value of trustees' remuneration was as follows:

M Baker (headteacher and trustee):

Remuneration £75,000 - £80,000 (2018: £40,000 - £45,000)

Employers pension contributions £10,000 - £15,000 (2018: £5,000 - £10,000)

J Horne (staff trustee):

Remuneration £45,000 - £50,000 (2018: £50,000 - £55,000)

Employers pension contributions £5,000 - £10,000 (2018: £5,000 - £10,000)

L Weichert (trustee and exam invigilator):

Remuneration £0 - £1000 (2018: £0 - £1000)

Employer's pension contribution £Nil (2018: £Nil)

During the period ended 31 August 2019, administrative expenses totalling £3 (2018: £Nil) were reimbursed or paid directly to one trustee.

### 10 Trustees' and Officers' Insurance

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

**Notes to the Financial Statements for the Year Ended 31 August 2019****11 Intangible Fixed Assets**

	<b>Computer Software £</b>	<b>Total £</b>
<b>Cost</b>		
At 1 September 2018	52,491	<b>52,491</b>
Transfer out on Academy joining a MAT	(52,491)	
At 31 August 2019	<u>-</u>	<u><b>52,491</b></u>
<b>Amortisation</b>		
At 1 September 2018	49,076	<b>49,076</b>
Charged in year	3,415	<b>3,415</b>
Transfer out on Academy joining a MAT	(52,491)	
At 31 August 2019	<u>-</u>	<u><b>52,491</b></u>
<b>Carrying Amount</b>		
At 31 August 2018	3,415	<b>3,415</b>
At 31 August 2019	<u>-</u>	<u>-</u>

**12 Tangible Fixed Assets**

	<b>Leasehold Land and Buildings £</b>	<b>Furniture and Equipment £</b>	<b>Plant and Machinery £</b>	<b>Computer Equipment £</b>	<b>Total £</b>
<b>Cost</b>					
At 1 September 2018	124,000	157,860	5,109	432,446	<b>719,415</b>
Additions	-	-	8,645	21,481	<b>30,126</b>
Disposals	-	-	-	(4,872)	<b>(4,872)</b>
Transfer out on Academy joining a MAT	(124,000)	(157,860)	(13,754)	(449,055)	<b>(744,669)</b>
At 31 August 2019	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Depreciation</b>					
At 1 September 2018	16,326	57,605	2,589	359,446	<b>435,966</b>
Charged in year	2,067	13,204	1,591	37,902	<b>54,764</b>
Disposals	-	-	-	(4,872)	<b>(4,872)</b>
Transfer out on Academy joining a MAT	(18,393)	(70,809)	(4,180)	(392,476)	<b>(485,858)</b>
At 31 August 2019	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Book Values</b>					
At 31 August 2018	107,674	100,255	2,520	73,000	<b>283,449</b>
At 31 August 2019	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The leasehold land and buildings occupied under a lease for the 125 years are capitalised within the tangible fixed assets to reflect the Trust's right to use the land over the long term.

**Notes to the Financial Statements for the Year Ended 31 August 2019****13 Debtors**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Trade debtors	-	8,591
VAT recoverable	-	69,508
Other debtors	-	200
Prepayments and accrued income	-	75,148
	<u>-</u>	<u>153,447</u>

**14 Creditors: amounts falling due within one year**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Trade creditors	-	61,136
Taxation and social security	-	74,050
Other creditors	146,846	10,864
Accruals and deferred income	-	75,100
	<u>146,846</u>	<u>221,150</u>

**Deferred Income**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Deferred Income at 1 September 2018	36,906	55,408
Released from previous years	(36,906)	(55,408)
Resources deferred in the year	114,810	36,906
Transfer out on Academy joining a MAT	(114,810)	-
Deferred Income at 31 August 2019	<u>-</u>	<u>36,906</u>



**Notes to the Financial Statements for the Year Ended 31 August 2019****15 Funds**

	<b>Balance at 1 September 2018 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers £</b>	<b>Gains / (Losses) £</b>	<b>Balance at 31 August 2019 £</b>
<b>Restricted general funds</b>						
General Annual Grant (GAG)	309,730	3,913,927	(4,066,341)	(157,316)	-	-
Pupil Premium	13,430	109,117	(122,547)	-	-	-
Other ESFA/DfE Grants	3,573	28,227	(63,675)	31,875	-	-
Other restricted Funds	26,604	244,149	(270,753)	-	-	-
Pension reserve	(621,000)	-	719,000	140,000	(238,000)	-
	<b>(267,663)</b>	<b>4,295,420</b>	<b>(3,804,316)</b>	<b>14,559</b>	<b>(238,000)</b>	<b>-</b>
<b>Restricted fixed asset funds</b>						
DfE Group capital grants	75,623	76,135	(119,883)	(31,875)	-	-
Capital expenditure from GAG	132,425	-	(149,741)	17,316	-	-
Donated Assets	116,402	-	(116,402)	-	-	-
Other Restricted Funds	7,014	-	(7,014)	-	-	-
Condition Improvement Fund	-	265,560	(265,560)	-	-	-
	<b>331,464</b>	<b>341,695</b>	<b>(658,600)</b>	<b>(14,559)</b>	<b>-</b>	<b>-</b>
<b>Total restricted funds</b>	<b>63,801</b>	<b>4,637,115</b>	<b>(4,462,916)</b>	<b>-</b>	<b>(238,000)</b>	<b>-</b>
<b>Unrestricted funds</b>						
Unrestricted funds	794,358	111,325	(905,683)	-	-	-
<b>Total unrestricted funds</b>	<b>794,358</b>	<b>111,325</b>	<b>(905,683)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total funds</b>	<b>858,159</b>	<b>4,748,440</b>	<b>(5,368,599)</b>	<b>-</b>	<b>(238,000)</b>	<b>-</b>

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

- The General Annual Grant (GAG) is used for the normal running costs of the Academy. There is no limit on the GAG funds that can be carried forward.
- The Pupil Premium grant is used to address the educational needs of the students attracting this funding.
- Other DfE/ESFA grants are various specific grants provided to the academy from the DfE/ESFA. This includes rates relief and Year 7 Catch up funding.
- Other restricted funds include income and expenditure on trips and other specific grants from the Local Authority (such as funding for High Needs Tariff) and other sources for specific educational projects.
- The restricted pension reserve relates to the Local Government Pension Scheme (LGPS) deficit inherited on conversion.
- DfE/ESFA Capital Grants is the Devolved Formula Capital grant, spent on a variety of capital items.

Transfers between restricted funds comprise:

- Transfer of pension contributions from GAG to Restricted Pension Fund of £140,000
- Transfer relating to fixed assets purchased using GAG funding from GAG to the Restricted Fixed Asset Fund of £17,316
- Transfer relating to building maintenance funded by the Devolved Formula Capital grant from the Restricted Fixed Assets Fund to other ESFA/DfE Grants of £31,875

**Notes to the Financial Statements for the Year Ended 31 August 2019****15 Funds (continued)**

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

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers £	Gains / (Losses) £	Balance at 31 August 2018 £
<b>Restricted general funds</b>						
General Annual Grant (GAG)	314,071	4,709,459	(4,484,822)	(228,978)		309,730
Pupil Premium	17,207	156,967	(160,744)			13,430
Other ESFADfE Grants	2	32,145	(28,574)			3,573
Other restricted Funds	12,265	166,353	(152,014)			26,604
Pension reserve	(897,000)		(334,000)	181,000	429,000	(621,000)
	<b>(553,455)</b>	<b>5,064,924</b>	<b>(5,160,154)</b>	<b>(47,978)</b>	<b>429,000</b>	<b>(267,663)</b>
<b>Restricted fixed asset funds</b>						
DfE Group capital grants	57,593	22,118	(4,088)	-	-	75,623
Capital expenditure from GAG	137,094	-	(52,647)	47,978	-	132,425
Donated Assets	121,202	-	(4,800)	-	-	116,402
Other Restricted Funds	7,884	-	(870)	-	-	7,014
	<b>323,773</b>	<b>22,118</b>	<b>(62,405)</b>	<b>47,978</b>	<b>-</b>	<b>331,464</b>
<b>Total restricted funds</b>	<b>(229,682)</b>	<b>5,087,042</b>	<b>(5,222,559)</b>	<b>-</b>	<b>429,000</b>	<b>63,801</b>
<b>Unrestricted funds</b>						
Unrestricted funds	697,692	126,157	(29,491)	-	-	794,358
<b>Total unrestricted funds</b>	<b>697,692</b>	<b>126,157</b>	<b>(29,491)</b>	<b>-</b>	<b>-</b>	<b>794,358</b>
<b>Total funds</b>	<b>468,010</b>	<b>5,213,199</b>	<b>(5,252,050)</b>	<b>-</b>	<b>429,000</b>	<b>858,159</b>

**16 Analysis of Net Assets between Funds**

Fund balances at 31 August 2019 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds 2019 £
Intangible fixed assets	-	-	-	-
Tangible fixed assets	-	-	-	-
Current assets	146,846	-	-	<b>146,846</b>
Current liabilities	(146,846)	-	-	<b>(146,846)</b>
Pension scheme liability	-	-	-	-
<b>Total net assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Notes to the Financial Statements for the Year Ended 31 August 2019****16 Analysis of Net Assets between Funds (continued)**

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

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds 2018 £
Intangible fixed assets			3,415	<b>3,415</b>
Tangible fixed assets			283,449	<b>283,449</b>
Current assets	815,734	553,111	44,600	<b>1,413,445</b>
Current liabilities	(21,376)	(199,774)		<b>(221,150)</b>
Pension scheme liability		(621,000)		<b>(621,000)</b>
<b>Total net assets</b>	<b><u>794,358</u></b>	<b><u>(267,663)</u></b>	<b><u>331,464</u></b>	<b><u>858,159</u></b>

**17 Commitments under Operating Leases****Operating Leases**

At 31 August 2019 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2019 £	2018 £
Amounts due within one year	-	6,190
Amounts due between one and five years	-	6,191
	<b><u>-</u></b>	<b><u>12,381</u></b>

**18 Reconciliation of Net Income/(Expenditure) to Net Cash flow from operating activities**

	2019 £	2018 £
Net income/(expenditure) for the year (as per the statement of financial activities)	<b>(620,159)</b>	<b>(38,851)</b>
Adjusted for:		
Amortisation (note 11)	<b>3,415</b>	4,912
Depreciation (note 12)	<b>54,764</b>	57,493
Capital grants from DfE and other capital income	<b>(341,695)</b>	(22,118)
Interest receivable (note 4)	<b>(3,622)</b>	(3,287)
Defined benefit pension scheme cost less contributions payable (note 22)	<b>86,000</b>	129,000
Defined benefit pension scheme finance cost (note 22)	<b>16,000</b>	24,000
(Increase)/decrease in debtors	<b>(364,175)</b>	33,423
Increase/(decrease) in creditors	<b>432,106</b>	(249,089)
Transfer out of Academy on joining a MAT	<b>439,811</b>	
<b>Net cash provided used in Operating Activities</b>	<b><u>(297,555)</u></b>	<b><u>(64,517)</u></b>

**Notes to the Financial Statements for the Year Ended 31 August 2019****19 Cash Flows from Investing Activities**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Dividends, interest and rents from investments	<b>3,622</b>	3,287
Purchase of tangible fixed assets	<b>(30,126)</b>	(47,978)
Capital grants from DfE / ESFA	<b>341,695</b>	22,118
<b>Net cash provided by / (used in) investing activities</b>	<b><u>315,191</u></b>	<b><u>(22,573)</u></b>

**20 Analysis of Cash and Cash Equivalents**

	At 1 September 2018	Cash flows	At 31 August 2019
	£	£	£
Cash in hand and at bank	1,259,998	(1,113,152)	<b>146,846</b>
<b>Total cash and cash equivalents</b>	<b><u>1,259,998</u></b>	<b><u>(1,113,152)</u></b>	<b><u>146,846</u></b>

**21 Members' Liability**

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

## Notes to the Financial Statements for the Year Ended 31 August 2019

### 22 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 Suffolk County Council. Both are multi-employer defined-benefit schemes.

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

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

#### Teachers' Pension Scheme

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

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

#### Valuation of the Teachers' Pension Scheme

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

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

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

In view of the rulings and decisions in the 'McCloud/Sargeant case' the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. A valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case.

The TPS valuation for 2016 determined the employer rate would increase from 16.4% to 23.6%, which is payable from 1 September 2019.

The employer's pension costs paid to TPS in the period amounted to £324,841 (2018: £369,986).

A copy of the valuation report and supporting documentation is on the [Teachers' Pension website](#)

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

**Notes to the Financial Statements for the Year Ended 31 August 2019****22 Pension and Similar Obligations (continued)****Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the period ended 30 June 2019 was £188,246 (2018: £235,546), of which employer's contributions totalled £149,246 (2018: £187,546) and employees' contributions totalled £39,000 (2018: £48,000). The agreed contribution rates for future years are 23.2% for 2019/20 for employers and a variable % for employees dependant on the salary of individuals as follows:

<b>Annual Salary</b>	<b>Contribution Rate</b>
£0 - £14,400	5.50%
£14,401 - £22,500	5.80%
£22,501 - £36,500	6.50%
£36,501 - £46,200	6.80%
£46,201 - £64,600	8.50%
£64,601 - £91,500	9.90%
£91,501 - £107,700	10.50%

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

**Principal Actuarial Assumptions**

	<b>At 30 June 2019 p.a.</b>	<b>At 31 August 2018 p.a.</b>
Rate of increase in salaries	<b>2.70%</b>	<b>2.60%</b>
Rate of increase for pensions in payment/inflation	<b>2.40%</b>	<b>2.30%</b>
Discount rate for scheme liabilities	<b>2.40%</b>	<b>2.80%</b>

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

	<b>At 30 June 2019</b>	<b>At 31 August 2018</b>
<i>Retiring today</i>		
Males	<b>21.3</b>	<b>21.9</b>
Females	<b>23.5</b>	<b>24.4</b>
<i>Retiring in 20 years</i>		
Males	<b>22.3</b>	<b>23.9</b>
Females	<b>24.9</b>	<b>26.4</b>

**Notes to the Financial Statements for the Year Ended 31 August 2019****22 Pension and Similar Obligations (continued)**

	<b>At 30 June 2019 £</b>	<b>At 31 August 2018 £</b>
<b>Sensitivity analysis</b>		
Discount rate -0.1%	107,000	92,000
CPI rate -0.1%	91,000	77,000

The academy's share of the assets in the scheme were:

	<b>Fair value at 31 August 2019 £</b>	<b>Fair value at 31 August 2018 £</b>
Equities	-	1,813,500
Corporate bonds	-	789,750
Property	-	292,500
Cash and other liquid assets	-	29,250
<b>Total market value of assets</b>	<b>-</b>	<b>2,925,000</b>

The actual return on scheme assets was £99,000 (2018: £133,000).

**Amounts recognised in the statement of financial activities**

	<b>2019 £</b>	<b>2018 £</b>
Current service cost	(213,000)	(310,000)
Past service cost	(13,000)	-
Interest income	69,000	67,000
Interest cost	(85,000)	(91,000)
Transfer out on Academy joining a MAT	(961,000)	-
Total amount recognised in the SOFA	<b>(1,203,000)</b>	<b>(334,000)</b>

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

	<b>2019 £</b>	<b>2018 £</b>
<b>At 1 September</b>	<b>3,546,000</b>	<b>3,481,000</b>
Transfer out on Academy joining a MAT	(4,138,000)	
Current service cost	213,000	310,000
Interest cost	85,000	91,000
Employee contributions	39,000	48,000
Actuarial (gain)/loss	268,000	(356,000)
Benefits paid	(26,000)	(28,000)
Past service cost	13,000	
<b>At 31 August</b>	<b>-</b>	<b>3,546,000</b>

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

	<b>2019 £</b>	<b>2018 £</b>
<b>At 1 September</b>	<b>2,925,000</b>	<b>2,584,000</b>
Transfer out on Academy joining a MAT	(3,177,000)	
Interest income	69,000	67,000
Actuarial gain/(loss)	30,000	73,000
Employer contributions	140,000	181,000
Employee contributions	39,000	48,000
Benefits paid	(26,000)	(28,000)
<b>At 31 August</b>	<b>-</b>	<b>2,925,000</b>

## Notes to the Financial Statements for the Year Ended 31 August 2019

### 23 Related Party Transactions

Owing to the nature of the academy trust's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trust has an interest. All transactions involving such organisations are in accordance with the requirements of the AFH, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

No related party transactions took place in the financial period.

### 24 Agency Arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2019 the trust received £11,065 (2018: £13,850) and disbursed £10,951 (2018:£10,672) from the fund. An amount of £4,509 (2018: £4,395) is included in other creditors relating to undistributed funds that is repayable to ESFA and transferred out on Academy joining a MAT.

### 25 Transfer out on academies leaving the Trust

The following assets and liabilities relating to St Alban's Catholic High School have been transferred to Our Lady of Walsingham Catholic Multi Academy Trust.

	<b>Transfer out on academies leaving the trust £</b>
<b>Tangible fixed assets</b>	
Freehold land and buildings	105,607
Plant and machinery	9,574
Furniture and equipment	87,051
Computer equipment	56,579
<b>Current assets</b>	
Debtors due in less than one year	517,622
Cash in bank and in hand	1,277,634
<b>Liabilities</b>	
Creditors due in less than one year	(653,256)
<b>Pensions</b>	
Pensions - pension scheme liabilities	(961,000)
<b>Net assets</b>	<b><u>439,811</u></b>