

Company Registration No. 09693822 (England and Wales)

**ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

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

# **ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST**

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# ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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<b>Members</b>	Matthew Dickens Martin Lee Peter Smith
<b>Trustees (Directors)</b>	Marcella Touray Ingrid Farrell Neil Farmer Jannine Stebbings Victoria Mitchell Linda O'Callaghan
<b>Governors</b>	Marcella Touray Ingrid Farrell Neil Farmer Jannine Stebbings Victoria Mitchell Linda O'Callaghan Sharon Seon Dorota Ramos Hugh Keast Christopher Harwood
<b>Trust Strategic Leadership</b>	
Chief Executive	Linda O'Callaghan
Deputy Headteacher Infants	Imelda Pears
Head of School Juniors	Andrew MacDonald
<b>Senior Leadership Team Infants</b>	
- Head Teacher	Linda O'Callaghan
- Deputy Head Teacher	Imelda Pears
- Assistant Head Teacher	Victoria Mitchell
- Inclusion Manager	Sue Loughlin
- School Business Manager	Carmen D'Souza
<b>Senior Management Team Juniors</b>	
- Executive Headteacher	Linda O'Callaghan
- Head of School	Andrew MacDonald
<b>Company registration number</b>	09693822 (England and Wales)
<b>Registered office</b>	Bedford Park Croydon CR0 2AQ United Kingdom
<b>Independent auditor</b>	Baxter & Co Lynwood House Crofton Road Orpington Kent BR6 8QE
<b>Bankers</b>	Lloyds Bank, Croydon, Surrey
<b>Solicitors</b>	Winckworths

# ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2020

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

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

The principal activity of the company is the establishing, maintaining, carrying on, managing and developing of Catholic schools, currently being St Mary's Catholic Junior School and St Mary's Catholic Infants School, providing a state education for students aged 3 to 11. It has a pupil capacity of 446 and had a roll of 228 in the school census on 5<sup>th</sup> October 2016 for the Junior school and 211 for the Infants school.

#### Structure, governance and management

##### Constitution

The academy trust was incorporated as a company on 20 July 2015 and the predecessor schools converted to academy status on 01 September 2015. 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 Mary's Catholic Primary Schools Trust are also the directors of the charitable company for the purposes of company law and they are Trustees of the charitable company.

Details of the Trustees who served during the year are included in the Reference and Administrative Details on page 1.

##### Members' liability

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

##### Trustees' indemnities

No indemnities have been given to any third parties on behalf of any Trustees.

##### Method of recruitment and appointment or election of Trustees

In accordance with the articles, the Trustees of the charitable company are the directors of the charitable company. They are appointed as follows:

- Foundation Directors appointed by the Archbishop of the Diocese should exceed all other Directors by at least two;
- Directors may appoint Executive Directors, including the Chief Executive Officer, who are employees of the company should not exceed one third of the total of Directors;
- a minimum of 2 Parent Governors appointed by the Directors;

##### Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new Trustees will depend on their existing experience. Where necessary, induction will provide training in charity, educational, legal and financial matters. All Trustees are provided with the information needed (including policies, minutes, budgets, etc.) to undertake their role as Trustees.

# ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2020

#### Organisational structure

The Board of Trustees, the majority of whom are non-executive, comprises those persons appointed under the Articles of Association. The Board meets at least 3 times a year and delegate specific responsibilities to Committees which deal with policies, developments and assessment of different areas of the running of the Academies. The committees are as follows:

- Resources Committee
- Learning and Wellbeing
- Admissions
- Safeguarding

All of the committees are formally constituted with terms of reference and comprise appropriately qualified and experienced members. The activities of the committees are reported to and discussed at Trust Board meetings.

Day to day management of the Trust is undertaken by The Executive Head Teacher, who is the Accounting Officer and is supported by the Leadership Team.

#### **Arrangements for setting pay and remuneration of key management personnel**

The Trust Strategic Leadership Team, the Senior Leadership Team of the Infants and the Senior Management Team of the Juniors are the key management personnel of the trust. Trustees are also Leaders but receive no pay or other remuneration in respect of their role as Trustees. Where staff Trustees are in place, they receive remuneration for their role as staff and their pay is determined in the same way as applicable to all other staff. Further details of remuneration paid to staff who are Trustees is set out within the notes to the accounts.

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

#### **Trade Union Facility Time**

##### **Relevant union officials**

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
2	1

##### **Percentage of time spent on facility time**

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

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

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

##### **Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours.	0%
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# **ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST**

## **TRUSTEES' REPORT**

### **FOR THE YEAR ENDED 31 AUGUST 2020**

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

St Mary's Catholic Primary Schools Trust is part of the Croydon Catholic Primary Schools Umbrella Trust which operates as a collaborative partnership within Croydon.

#### **Objectives and activities**

##### Aims and Objectives

The aims and objectives of the Trust are to strive for excellence for our schools and we aim to put in place rigorous and aspirational targets that will ensure that progress is rapid and enduring within the context of our shared Catholic values and principles by:

- expressing, both explicitly and implicitly, core Catholic values such as responsibility, acceptance, truth and justice and community throughout our schools and for these to be reflected in all aspects of the curriculum offered.
- focus rigorously on the academic development of pupils with particular reference to Communication, Literacy, Numeracy and ICT skills within a curriculum framework that also pays close attention to the personal development of pupils, their resilience and independence, their creativity, their leadership and organisational skills, their understanding of citizenship and serve.
- encouraging a holistic approach to the development of all pupils believing that each person is an individual made in the image of God and should therefore be supported to reach their full potential by receiving the very best education possible.
- ensuring that all pupils succeed and thrive in school by raising aspirations and tackling disadvantage.
- providing strong leadership, accountability and effective support to enable school leaders and staff to focus on teaching and learning.

##### Objectives, strategies and activities

Our objectives for this year are as follows:

#### **Priority 1 THE QUALITY OF EDUCATION**

**1.1 To develop and embed the core curriculum so that pupils receive a broad, rich and balanced curriculum.**

**1.2 Secure and maintain the quality of education for all groups, including SEND**

**1.3 Identify and address gaps in learning.**

#### **Priority 2: LEADERSHIP AND MANAGEMENT**

**2.1. Develop confidence and leadership skills of all subject leaders so that their actions have impact and subject learning is consistent.**

**2.2. Develop monitoring systems to reflect the deep dive ideology.**

#### **Priority 3: BEHAVIOURS AND ATTITUDES**

**3.1. Promote and maintain children's commitment to and pride in their learning.**

**3.2 promote and maintain positive behaviour in and around the school.**

**3.3. Bullying and discrimination is dealt with in a swift, decisive and wherever possible, proactive way.**

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# ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2020

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#### Priority 4: PERSONAL DEVELOPMENT

4.1. British values are embedded in our curriculum.

4.2. Children's are supported and guided in their development.

#### Public benefit

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

#### Strategic report

#### Achievements and performance

Performance against 2018-2019 targets

All targets completed as above. Junior School rated 'good' in Ofsted. Infant School rated 'outstanding' by Ofsted

#### Key Performance Indicators

#### 2018-2019 Results

Reception GLD: 71%

KS1 Reading AT+ 71% GD 20% Writing AT+ 70% GD19% Maths AT+75% GD14%

KS2 SPAG AT+ 96% GD74% Reading AT+77% GD26% Writing AT+88% GD12% Maths AT+91% GD49% Combined 77%

2019-2020 testing did not take place due to the COVID-19 Pandemic.

#### Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements.

#### Financial review

We receive our income from a number of different sources. The majority of our income comes from central government via the Education and Skills Funding Agency who provide us with grant, based largely on our student numbers to cover our staffing and other general running costs (General Annual Grant - GAG). The ESFA may provide us with additional grants which are earmarked for specific purposes (such as Pupil Premium which must be used to raise the attainment of disadvantaged pupils). These appear in the accounts as DfE/ESFA grants. Where we receive grant or other funding from the Local Authority (such as where we undertake responsibilities on their behalf in respect of our students) this appears in the accounts as Other government grants. Such income is collectively referred to as "Restricted Funds".

Other income is received from parents (for example as contributions to trip or other costs) and from third parties (for example from our bank for interest on our account balances or from others who are charged for their use of our facilities). Such other income may be restricted or unrestricted, depending on whether it comes to us with conditions as to its use or whether it is available for spending at the discretion of the Trustees.

# ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2020

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

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

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

The following balances held were held at 31 August:

Fund	Category	2020 £'000	2019 £'000
GAG	Restricted General Funds	243	173
Other DfE/ESFA Grants	Restricted General Funds	-	-
Other Income	Restricted General Funds	20	17
<b>Sub-total General Restricted Funds</b>		<b>263</b>	<b>190</b>
Unspent Capital Grants	Restricted Fixed Asset Fund	46	106
Other Income	Unrestricted General Fund	17	8
<b>Sub-total Spendable Funds</b>		<b>326</b>	<b>304</b>
Net Book Value of Fixed Assets	Restricted Fixed Asset Fund	46	68
Share of LGPS Deficit	Restricted Pension Reserve	(1,772)	(2,014)
<b>Total All Funds</b>		<b>(893)</b>	<b>(1,642)</b>

During the year under review, there was a surplus / (deficit) of £73k (2019: £(78k)) on general restricted funds, a surplus of £9k (2019: £nil) on unrestricted funds and after LGPS valuation adjustments, depreciation and capital income and expenditure, an overall surplus / (deficit) of £749k (2019: £(531k)).

#### Reserves policy

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

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

#### Investment policy and powers

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



# **ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST**

## **TRUSTEES' REPORT**

### **FOR THE YEAR ENDED 31 AUGUST 2020**

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#### Principal risks and uncertainties

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

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

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

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

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

#### **Our fundraising practices**

The trust and individual academies within it organise fundraising events and appeals and co-ordinate the activities of our supporters both in the academies and in the wider community on behalf of the trust.

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

There have been no complaints about fundraising activity this year.

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

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

#### **Plans for future periods**

The Future aims for the Trust are to work together to bring both schools to outstanding .  
The Trust also plans to share its areas of excellence and expertise with failing schools in collaboration with the Schools Commission and the Archdiocese of Southwark with particular foci on teacher training and school to school support.

# ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2020

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#### **Funds held as custodian trustee on behalf of others**


The academy trust is not acting as custodian for any other external body.

#### **Auditor**

In so far as the Trustees are aware:

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

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 09/12/2020 and signed on its behalf by.



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Marcella Touray  
**Chair of Trustees**

# ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST

## GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2020

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### Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the Executive Head Teacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between St Mary's Catholic Primary Schools Trust and the Secretary of State for Education. The Accounting Officer is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 3 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustees	Meetings attended	Out of possible
Marcella Touray	3	3
Ingrid Farrell	3	3
Neil Farmer	2	3
Jannine Stebbings	3	3
Victoria Mitchell	3	3
Linda O'Callaghan	3	3

### Governance reviews:

The Governing Body will review all structures again at the end of September 2019.

The Resources Committee is a committee to which the main Board of Trustees has delegated responsibility. Its purpose is:

- Regular monitoring of actual income and expenditure
- Review and recommendation of the annual budget
- Review the reports of the auditors on the effectiveness of the financial procedures and controls
- Fulfil the role of an Audit Committee

Attendance during the year at meetings of the Resources Committee was as follows:

Governors	Meetings attended	Out of possible
Ingrid Farrell	3	3
Marcella Touray	3	3
Hugh Keast	3	3
Dorota Ramos	3	3
Linda O'Callaghan	3	3

# **ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST**

## **GOVERNANCE STATEMENT**

### **FOR THE YEAR ENDED 31 AUGUST 2020**

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

As accounting officer the Executive Head Teacher 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 trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year by:

This year the Trust has been continuing to focus on achieving best value where appropriate in schools. As a result of a full review of costs the Trust is:

- Reviewing all staff roles and consolidating roles across the two schools where appropriate
- Identifying staff savings by not replacing staff if roles can be covered by existing staff
- Using staff expertise to offer school to school support
- Working with a larger group of Catholic Schools to purchase services and achieve economy of scale.
- Working with the local authority to provide training for NQTs within Croydon and across neighbouring boroughs.

#### **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 Mary's Catholic Primary Schools Trust for the year ended 31 August 2020 and up to the date of approval of the annual report and financial statements.

#### **Capacity to handle risk**

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ended 31 August 2020 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Board of Trustees.

# **ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST**

## **GOVERNANCE STATEMENT**

### **FOR THE YEAR ENDED 31 AUGUST 2020**

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#### **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 Resources 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 the external auditor, Baxter & Co to perform a programme of additional internal review checks over the course of two visits per annum. The reviewer's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular the checks carried out included:

- testing of purchase systems
- testing of census date
- reviewing compliance with rules for conflicts of interests
- reviewing compliance with ESFA transparency requirements

Following each visit, the reviewer reports to the board of trustees, through the resources committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. In the year under review one visit was conducted and the second has yet to be completed having been postponed due to Coronavirus lockdown.

Subject to this, trustees are satisfied that the internal review function has been fully delivered in line with the ESFA's requirements. No material control weaknesses have been notified.

The revised FRC Ethical Standard for auditors states that a firm providing external audit to an entity shall not also provide internal audit services to it, subject to transitional arrangements which permit existing audit engagements at 15 March 2020 to conclude.

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

# **ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST**

## **GOVERNANCE STATEMENT**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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### **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 external auditor;
- the financial management and governance self-assessment process
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the Board of Trustees on 09/12/2020 and signed on its behalf by:



**Marcella Touray**  
**Chair of Trustees**



**Linda O'Callaghan**  
**Accounting Officer**

# **ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST**

## **STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE**

***FOR THE YEAR ENDED 31 AUGUST 2020***

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As accounting officer of St Mary's Catholic Primary Schools Trust, I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

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

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the Board of Trustees and ESFA.

Linda O'Callaghan  
Accounting Officer



.....  
9/12/2020

# **ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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

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

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

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

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

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

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

Approved by order of the members of the Board of Trustees on 09/12/2020 and signed on its behalf by:



**Marcella Touray**  
**Chair of Trustees**



# **ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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### **Opinion**

We have audited the Financial Statements of St Mary's Catholic Primary Schools Trust for the year ended 31 August 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the Financial Statements:

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

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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

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

### **Other information**

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

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

We have nothing to report in this regard.

# **ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

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

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

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

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

### **Responsibilities of Trustees**

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the Financial Statements**

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

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

# **ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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### **Use of our report**

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



**David John Walsh FCCA (Senior Statutory Auditor)**

**For and on behalf of Baxter & Co**

**Statutory Auditor**

**Chartered Certified Accountants**

Lynwood House

Crofton Road

Orpington

Kent

BR6 8QE

Dated: 11 December 2020

# **ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST**

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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In accordance with the terms of our engagement letter dated 13 October 2016 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St Mary's Catholic Primary Schools Trust during the period 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to St Mary's Catholic Primary Schools Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the St Mary's Catholic Primary Schools Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than St Mary's Catholic Primary Schools Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of St Mary's Catholic Primary Schools Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of St Mary's Catholic Primary Schools Trust's funding agreement with the Secretary of State for Education dated 25 August 2015 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

### **Approach**

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

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

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

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

The work undertaken to draw to our conclusion includes:

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

# **ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST**

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2020***

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### **Conclusion**

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



**Baxter & Co**  
**Independent Reporting Accountants**  
**Chartered Certified Accountants**  
Lynwood House  
Crofton Road  
Orpington  
Kent  
BR6 8QE

Dated: 11 December 2020

# ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2020 £'000	Total 2019 £'000
<b>Income and endowments from:</b>						
Donations and capital grants	3	-	-	539	539	174
Charitable activities:						
- Funding for educational operations	4	-	2,595	-	2,595	2,437
Other trading activities	5	9	40	-	49	59
<b>Total</b>		<u>9</u>	<u>2,635</u>	<u>539</u>	<u>3,183</u>	<u>2,670</u>
<b>Expenditure on:</b>						
Charitable activities:						
- Grants	8	-	83	-	83	36
- Educational operations	9	-	2,780	41	2,821	2,746
<b>Total</b>	6	<u>-</u>	<u>2,863</u>	<u>41</u>	<u>2,904</u>	<u>2,782</u>
<b>Net income/(expenditure)</b>		9	(228)	498	279	(112)
Transfers between funds	17	-	73	(73)	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial gains/(losses) on defined benefit pension schemes	19	-	470	-	470	(419)
<b>Net movement in funds</b>		9	315	425	749	(531)
<b>Reconciliation of funds</b>						
Total funds brought forward		<u>8</u>	<u>(1,824)</u>	<u>174</u>	<u>(1,642)</u>	<u>(1,111)</u>
Total funds carried forward		<u>17</u>	<u>(1,509)</u>	<u>599</u>	<u>(893)</u>	<u>(1,642)</u>

# ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2020

Comparative year information Year ended 31 August 2019	Notes	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2019 £'000
<b>Income and endowments from:</b>					
Donations and capital grants	3	-	-	174	174
Charitable activities:					
- Funding for educational operations	4	-	2,437	-	2,437
Other trading activities	5	-	59	-	59
<b>Total</b>		-	2,496	174	2,670
<b>Expenditure on:</b>					
Charitable activities:					
- Grants	8	-	36	-	36
- Educational operations	9	-	2,710	36	2,746
<b>Total</b>	6	-	2,746	36	2,782
<b>Net income/(expenditure)</b>		-	(250)	138	(112)
Transfers between funds	17	-	29	(29)	-
<b>Other recognised gains/(losses)</b>					
Actuarial losses on defined benefit pension schemes	19	-	(419)	-	(419)
<b>Net movement in funds</b>		-	(640)	109	(531)
<b>Reconciliation of funds</b>					
Total funds brought forward		8	(1,184)	65	(1,111)
Total funds carried forward		8	(1,824)	174	(1,642)

# ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST

## BALANCE SHEET

AS AT 31 AUGUST 2020

		2020		2019	
	Notes	£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Tangible assets	13		46		68
<b>Current assets</b>					
Debtors	14	689		132	
Cash at bank and in hand		367		438	
		1,056		570	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	15	(223)		(266)	
<b>Net current assets</b>			833		304
<b>Net assets excluding pension liability</b>			879		372
Defined benefit pension scheme liability	19		(1,772)		(2,014)
<b>Total net liabilities</b>			(893)		(1,642)
<b>Funds of the Academy Trust:</b>					
<b>Restricted funds</b>	17				
- Fixed asset funds			599		174
- Restricted income funds			263		190
- Pension reserve			(1,772)		(2,014)
<b>Total restricted funds</b>			(910)		(1,650)
<b>Unrestricted income funds</b>	17		17		8
<b>Total funds</b>			(893)		(1,642)

The Financial Statements on pages 20 to 44 were approved by the Trustees and authorised for issue on 09/12/2020 and are signed on their behalf by:



Marcella Touray  
Chair of Trustees

Company Number 09693822



# ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

		2020		2019	
	Notes	£'000	£'000	£'000	£'000
<b>Cash flows from operating activities</b>					
Net cash used in operating activities	20		(619)		(6)
<b>Cash flows from investing activities</b>					
Capital grants from DfE Group		567		146	
Purchase of tangible fixed assets		(19)		(54)	
<b>Net cash provided by investing activities</b>			548		92
<b>Net (decrease)/increase in cash and cash equivalents in the reporting period</b>			(71)		86
Cash and cash equivalents at beginning of the year			438		352
<b>Cash and cash equivalents at end of the year</b>			367		438

# ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2020

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#### 1 Accounting policies

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

##### 1.1 Basis of preparation

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

##### 1.2 Going concern

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

##### 1.3 Income

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

##### Grants

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

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

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

##### Sponsorship income

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

##### Donations

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

# ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

---

#### 1 Accounting policies

##### Other income

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

##### Donated goods, facilities and services

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

##### Donated fixed assets

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

#### 1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

##### Expenditure on raising funds

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

##### Charitable activities

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

#### 1.5 Tangible fixed assets and depreciation

Assets costing £2,000 or more per item (or less if they form part of a larger purchase or project where the total cost exceeds £10,000) are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

# ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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#### 1 Accounting policies

Depreciation is provided on all tangible 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:

Computer equipment	33.33% Straight line
Fixtures, fittings & equipment	20% Straight Line

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

#### 1.6 Liabilities

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

#### 1.7 Leased assets

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

#### 1.8 Financial instruments

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

##### Financial assets

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

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

##### Financial liabilities

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

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

#### 1.9 Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### 1.10 Pensions benefits

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

# ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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#### 1 Accounting policies

The TPS is an unfunded scheme and contributions are calculated 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 based on quadrennial valuations using a prospective unit credit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

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

#### 1.11 Fund accounting

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

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

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

#### 2 Critical accounting estimates and areas of judgement

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

##### Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

# ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 2 Critical accounting estimates and areas of judgement

#### Critical areas of judgement

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

### 3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
Capital grants	-	539	539	174

### 4 Funding for the Academy Trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
<b>DfE / ESFA grants</b>				
General annual grant (GAG)	-	1,917	1,917	1,858
Other DfE group grants	-	339	339	261
	-	2,256	2,256	2,119
<b>Other government grants</b>				
Local authority grants	-	224	224	190
<b>Exceptional government funding</b>				
Coronavirus exceptional support	-	27	27	-
	-	251	251	190
<b>Other funding</b>				
Catering income (pupils)	-	53	53	73
Other incoming resources	-	35	35	55
	-	88	88	128
<b>Total funding</b>	-	2,595	2,595	2,437

During the year the trust applied for Exceptional Coronavirus Support Grant from ESFA as it had incurred specific additional costs in meeting the challenges of the virus, over and above those costs that are funded by other grants. The costs incurred related to Free School Meals (other than through the national voucher scheme) and premises/cleaning costs.

# ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
Breakfast, after school, homework club and nursery income	-	40	40	59
Other income	9	-	9	-
	<u>9</u>	<u>40</u>	<u>49</u>	<u>59</u>

### 6 Expenditure

	Staff costs £'000	Non-pay expenditure Premises £'000	Other £'000	Total 2020 £'000	Total 2019 £'000
Academy's educational operations					
- Direct costs	1,674	33	112	1,819	1,781
- Allocated support costs	659	127	216	1,002	965
Grants - support costs	-	83	-	83	36
	<u>2,333</u>	<u>243</u>	<u>328</u>	<u>2,904</u>	<u>2,782</u>

#### Net income/(expenditure) for the year includes:

	2020 £'000	2019 £'000
Fees payable to auditor for:		
- Audit	9	9
- Other services	8	6
Operating lease rentals	7	7
Depreciation of tangible fixed assets	41	36
Net interest on defined benefit pension liability	38	42
	<u>102</u>	<u>100</u>

Included within expenditure are the following transactions:

	2020 £
Gifts made by the Academy Trust - total	<u>52</u>

Clarification - While the majority of disclosures in these accounts are rounded to £'000, the disclosure of gifts made is not. The value of gifts for the year is £52 (and not £52k).

### 7 Central services

No central services were provided by the Academy Trust to its academies during the year and no central charges arose. Suppliers are asked to invoice each Academy individually. Staff and other costs paid by an Academy within the Trust for services provided to another of the Trust Academies are re-charged at cost.

# ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 8 Analysis of grants expenditure

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
Improvements to diocesan property occupied by the Academy Trust	-	83	83	36

### 9 Charitable activities

	2020 £'000	2019 £'000
All from restricted funds:		
<b>Direct costs</b>		
Educational operations	1,819	1,781
<b>Support costs</b>		
Educational operations	1,085	1,001
	<u>2,904</u>	<u>2,782</u>



# ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 9 Charitable activities

Analysis of costs	2020 £'000	2019 £'000
<b>Direct costs</b>		
Teaching and educational support staff costs	1,674	1,597
Staff development	8	13
Depreciation	33	28
Technology costs	52	49
Educational supplies and services	34	52
Educational consultancy	7	22
Other direct costs	11	20
	<u>1,819</u>	<u>1,781</u>
<b>Support costs</b>		
Support staff costs	469	463
Defined benefit pension scheme - staff costs (FRS102 adjustment)	190	130
Depreciation	8	8
Technology costs	2	3
Maintenance of premises and equipment	117	91
Cleaning	22	12
Energy costs	27	45
Rent, rates and other occupancy costs	26	13
Insurance	8	9
Security and transport	2	3
Catering	72	89
Defined benefit pension scheme - finance costs (FRS102 adjustment)	38	42
Legal costs	9	-
Other support costs	48	42
Governance costs	47	51
	<u>1,085</u>	<u>1,001</u>

# ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 10 Staff

#### Staff costs

Staff costs during the year were:

	2020 £'000	2019 £'000
Wages and salaries	1,587	1,540
Social security costs	142	125
Pension costs	362	309
Defined benefit pension scheme - staff costs (FRS102 adjustment)	190	130
	<u>2,281</u>	<u>2,104</u>
Staff costs - employees	2,281	2,104
Agency staff costs	52	86
	<u>2,333</u>	<u>2,190</u>

#### Staff numbers

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

	2020 Number	2019 Number
Teachers	19	17
Administration and support	50	51
Management	6	6
	<u>75</u>	<u>74</u>

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

	2020 Number	2019 Number
Teachers	13	14
Administration and support	33	33
Management	6	6
	<u>52</u>	<u>53</u>

#### Higher paid staff

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

	2020 Number	2019 Number
£60,000 - £70,000	1	1
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-
	<u>1</u>	<u>1</u>

# ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2020**

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### **10 Staff**

#### **Key management personnel**

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £459,382 (2019: £425,516).

### **11 Trustees' remuneration and expenses**

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

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

L O'Callaghan (Executive Headteacher):

- Remuneration: £90,000 - £95,000 (2019: £85,000 - £90,000)
- Employer's pension contributions: £20,000 - £25,000 (2019: £10,000 - £15,000)

V Mitchell (Staff Trustee):

- Remuneration: £45,000 - £50,000 (2019: £45,000 - £50,000)
- Employer's pension contributions: £10,000 - £15,000 (2019: £5,000 - £10,000)

During the year, payments totalling £239 (2019: £1,238) were reimbursed or paid directly to 2 Trustees (2019: 2 Trustees) in respect of expenses incurred in performing the duties of employment.

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

### **12 Insurance for Trustees and officers**

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 Trust 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.

# ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 13 Tangible fixed assets

	Computer equipment	Fixtures, fittings & equipment	Total
	£'000	£'000	£'000
<b>Cost</b>			
At 1 September 2019	49	101	150
Additions	2	17	19
	<u>51</u>	<u>118</u>	<u>169</u>
At 31 August 2020			
<b>Depreciation</b>			
At 1 September 2019	16	66	82
Charge for the year	17	24	41
	<u>33</u>	<u>90</u>	<u>123</u>
At 31 August 2020			
<b>Net book value</b>			
At 31 August 2020	18	28	46
	<u>33</u>	<u>35</u>	<u>68</u>
At 31 August 2019			

The Trust occupies its Land and Buildings under the terms of a "Church Supplemental Agreement" dated 01 September 2015 made between the Southwark Roman Catholic Diocesan Corporation, the Secretary of State for Education and the Academy Trust. The Trustees of the academy trust have considered carefully the requirements of and guidance notes within the Academies Accounts Direction 2019 to 2020 issued by the ESFA. They have concluded that the agreement does not confer substantially all of the risks and rewards of ownership and taking into account the rights and obligations placed upon the academy trust, the substance of the arrangement is not materially different to its legal form. Accordingly they have concluded that it would be misleading to recognise the academy trust's right to occupy its buildings as a fixed asset on its balance sheet.

### 14 Debtors

	2020 £'000	2019 £'000
VAT recoverable	5	17
Prepayments and accrued income	684	115
	<u>689</u>	<u>132</u>

# ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2020**

### 15 Creditors: amounts falling due within one year

	2020 £'000	2019 £'000
Other taxation and social security	33	33
Other creditors	19	-
Accruals and deferred income	171	233
	<u>223</u>	<u>266</u>

### 16 Deferred income

	2020 £'000	2019 £'000
Deferred income is included within:		
Creditors due within one year	<u>68</u>	<u>98</u>
Deferred income at 1 September 2019	98	89
Released from previous years	(98)	(89)
Resources deferred in the year	<u>68</u>	<u>98</u>
<b>Deferred income at 31 August 2020</b>	<u>68</u>	<u>98</u>

Deferred income relates to Early Years grant of £36k (2019: £48k), Universal Infants Free School Meals Received in advance of £32k (2019: £33k), School Trips income received in advance of £nil (2019: £11k) and Rates Relief funding of £nil (2019: £6k).

# ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 17 Funds

	Balance at 1 September 2019 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2020 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	173	1,917	(1,920)	73	243
Other DfE / ESFA grants	-	192	(192)	-	-
Pupil premium	-	147	(147)	-	-
Other government grants	-	251	(251)	-	-
Other restricted funds	17	128	(125)	-	20
Pension reserve	(2,014)	-	(228)	470	(1,772)
	<u>(1,824)</u>	<u>2,635</u>	<u>(2,863)</u>	<u>543</u>	<u>(1,509)</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	9	-	(9)	-	-
DfE group capital grants	146	539	(19)	(93)	573
Capital expenditure from GAG and other funds	19	-	(13)	20	26
	<u>174</u>	<u>539</u>	<u>(41)</u>	<u>(73)</u>	<u>599</u>
<b>Total restricted funds</b>	<u>(1,650)</u>	<u>3,174</u>	<u>(2,904)</u>	<u>470</u>	<u>(910)</u>
<b>Unrestricted funds</b>					
General funds	8	9	-	-	17
<b>Total funds</b>	<u>(1,642)</u>	<u>3,183</u>	<u>(2,904)</u>	<u>470</u>	<u>(893)</u>

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

The General Annual Grant fund is to be used for the general operation of the academy.

The Other DfE/ESFA fund and Other Government Grant fund represents the unspent balance of grants received during the period for specific purposes.

The Other Restricted Funds represent general funds which remain unspent, but are earmarked for particular purposes.

The Restricted Fixed Asset Fund represents the net book value of fixed assets of £46k (2019: £68k) plus the unspent element of Capital funds of £553k (2019: £106k). When assets are purchased the fund is increased and depreciation charges reduce the fund.

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

# ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 17 Funds

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

	Balance at 1 September 2018 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2019 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	168	1,858	(1,887)	34	173
Other DfE / ESFA grants	6	120	(126)	-	-
Pupil premium	-	141	(141)	-	-
Other government grants	5	190	(195)	-	-
Other restricted funds	60	187	(225)	(5)	17
Pension reserve	(1,423)	-	(172)	(419)	(2,014)
	<u>(1,184)</u>	<u>2,496</u>	<u>(2,746)</u>	<u>(390)</u>	<u>(1,824)</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	20	-	(11)	-	9
DfE group capital grants	37	174	(16)	(49)	146
Capital expenditure from GAG and other funds	8	-	(9)	20	19
	<u>65</u>	<u>174</u>	<u>(36)</u>	<u>(29)</u>	<u>174</u>
<b>Total restricted funds</b>	<u>(1,119)</u>	<u>2,670</u>	<u>(2,782)</u>	<u>(419)</u>	<u>(1,650)</u>
<b>Unrestricted funds</b>					
General funds	8	-	-	-	8
<b>Total funds</b>	<u>(1,111)</u>	<u>2,670</u>	<u>(2,782)</u>	<u>(419)</u>	<u>(1,642)</u>

# ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 17 Funds

#### Total funds analysis by academy

	2020 £'000	2019 £'000
Fund balances at 31 August 2020 were allocated as follows:		
St Mary's Catholic Junior School	151	85
St Mary's Catholic Infant School	129	113
Total before fixed assets fund and pension reserve	280	198
Restricted fixed asset fund	599	174
Pension reserve	(1,772)	(2,014)
Total funds	(893)	(1,642)

#### Total cost analysis by academy

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

	Teaching and educational support staff £'000	Other support staff costs £'000	Educational supplies £'000	Other costs excluding depreciation £'000	Total 2020 £'000	Total 2019 £'000
St Mary's Catholic Junior School	876	301	23	160	1,360	1,496
St Mary's Catholic Infant School	799	357	12	335	1,503	1,250
	1,675	658	35	495	2,863	2,746

### 18 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	-	-	46	46
Current assets	17	486	553	1,056
Creditors falling due within one year	-	(223)	-	(223)
Defined benefit pension liability	-	(1,772)	-	(1,772)
Total net assets	17	(1,509)	599	(893)



# ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 18 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
<b>Fund balances at 31 August 2019 are represented by:</b>				
Tangible fixed assets	-	-	68	68
Current assets	8	456	106	570
Creditors falling due within one year	-	(266)	-	(266)
Defined benefit pension liability	-	(2,014)	-	(2,014)
<b>Total net assets</b>	<b>8</b>	<b>(1,824)</b>	<b>174</b>	<b>(1,642)</b>

### 19 Pension and similar obligations

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

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

Contributions amounting to £19k (2019: £7k) were payable to the schemes at 31 August 2020 and are included within creditors.

#### Teachers' Pension Scheme

##### Introduction

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

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

##### Valuation of the Teachers' Pension Scheme

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

# ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 19 Pension and similar obligations

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £187k (2019: £130k).

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

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

#### Local Government Pension Scheme

The LGPS is a funded defined-benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 21.3% to 24.6% for employers (plus annual lump sum payments of £30k (2019: £50k) per annum) and a range between 5.5% and 12.5% for employees.

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

Total contributions made	2020 £'000	2019 £'000
Employer's contributions	164	163
Employees' contributions	42	41
Total contributions	206	204
Principal actuarial assumptions	2020 %	2019 %
Rate of increase in salaries	2.20	2.80
Rate of increase for pensions in payment/inflation	2.20	2.30
Discount rate for scheme liabilities	1.70	1.80

# ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2020**

### 19 Pension and similar obligations

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

	2020 Years	2019 Years
Retiring today		
- Males	21.9	21.3
- Females	23.9	23.4
Retiring in 20 years		
- Males	22.5	22.3
- Females	25.3	24.8

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

	2020 £'000	2019 £'000
Discount rate + 0.1%	3,029	3,008
Discount rate - 0.1%	3,179	3,172
Increase in salary rate + 0.1%	3,111	3,104
Decrease in salary rate - 0.1%	3,097	3,076
Increase in pensions rate + 0.1%	3,171	3,156
Decrease in pensions rate - 0.1%	3,037	3,024

#### Defined benefit pension scheme net liability

Scheme assets	1,332	1,076
Scheme obligations	(3,104)	(3,090)
Net liability	(1,772)	(2,014)

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

	2020 Fair value £'000	2019 Fair value £'000
Equities	853	667
Other Bonds	293	247
Cash	13	11
Property	173	151
Total market value of assets	1,332	1,076

The actual return on scheme assets was £44,000 (2019: £80,000).

# ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 19 Pension and similar obligations

Amount recognised in the Statement of Financial Activities	2020 £'000	2019 £'000
Current service cost	351	272
Past service cost	3	21
Interest income	(21)	(25)
Interest cost	59	67
Total operating charge	392	335
<b>Changes in the present value of defined benefit obligations</b>		<b>2020 £'000</b>
At 1 September 2019		3,090
Current service cost		351
Interest cost		59
Employee contributions		42
Actuarial (gain)/loss		(416)
Benefits paid		(25)
Past service cost		3
At 31 August 2020		3,104
<b>Changes in the fair value of the Academy Trust's share of scheme assets</b>		<b>2020 £'000</b>
At 1 September 2019		1,076
Interest income		21
Actuarial gain		54
Employer contributions		164
Employee contributions		42
Benefits paid		(25)
At 31 August 2020		1,332

# ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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

	2020 £'000	2019 £'000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	279	(112)
Adjusted for:		
Capital grants from DfE and other capital income	(539)	(174)
Defined benefit pension costs less contributions payable	190	130
Defined benefit pension scheme finance cost	38	42
Depreciation of tangible fixed assets	41	36
(Increase) in debtors	(585)	(7)
(Decrease)/increase in creditors	(43)	79
<b>Net cash used in operating activities</b>	<b>(619)</b>	<b>(6)</b>

### 21 Analysis of changes in net funds

	1 September 2019 £'000	Cash flows £'000	31 August 2020 £'000
Cash	438	(71)	367

### 22 Commitments under operating leases

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

	2020 £'000	2019 £'000
Amounts due within one year	7	7
Amounts due in two and five years	2	3
	<u>9</u>	<u>10</u>

### 23 Capital commitments

	2020 £'000	2019 £'000
Expenditure contracted for but not provided in the Financial Statements	551	107

At 31 August 2020 St Mary's Catholic Infant School was committed to completing a roof replacement project with total expected future costs of £551k, funded by capital grant (CIF).

# **ST MARY'S CATHOLIC PRIMARY SCHOOLS TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2020**

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#### **24 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 Academy Trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account.

During the year the trust purchased education consultancy services from Mr Neil Farmer, a Trustee, totalling £2,700 (2019: £2,400). No amounts were outstanding at the end of the year.

Mr R Farmer, close family member of Mr N Farmer, a Trustee, is employed by the Academy Trust as a Teaching Assistant. The appointment was made in open competition and the Trustee was not involved in the decision making process regarding the appointment. The employee is paid within the normal pay scale for their role and receives no special treatment as a result of their relationship with the Trustee.

In entering into these transactions, the Academy Trust has materially complied with the requirements of the Academies Financial Handbook 2019.

#### **25 Members' liability**

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