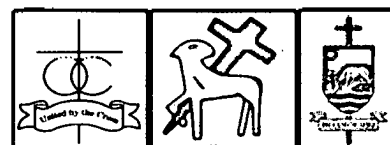
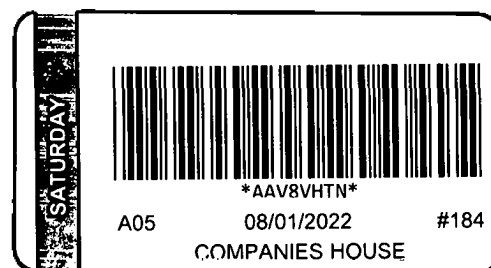


Edith Stein Catholic Academy Trust

(A Company Limited by Guarantee)

Annual Report and Financial Statements Year Ended 31 August 2021



EDITH STEIN CATHOLIC ACADEMY TRUST

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EDITH STEIN CATHOLIC ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

Rt Rev P Egan
Rev Canon M Dennehy
Rev Canon P J Smith
Mrs H Hauschild
Mrs Mary Breen (Appointed 13 July 2021)

Trustees

Ms M Brooks (Resigned 6 July 2021)
Dr E Cluett (Resigned 6 July 2021)
Mr I Colley (Resigned 6 July 2021)
Capt M D Evans RN (Chair of Trustees)
Mr C Farrugia (Resigned 5 December 2020)
Rev J Garratt
J Hoar (Resigned 6 July 2021)
Mr W Layton
Mr N Parker (Resigned 28 July 2021)
Mr J Skelton (Resigned 6 July 2021)
Miss M D Miles (Resigned 6 July 2021)
Mrs D Burroughs (Resigned 6 July 2021)
Mrs E Boulton (Resigned 6 July 2021)
Mrs T G E Hudson (Resigned 6 July 2021)
Miss L M Bourne (Appointed 8 July 2021)
Miss N E Lucas (Appointed 14 July 2021)
Mrs G Rennicks (Appointed 8 July 2021)

Chief Executive Officer

Mr M Quinn

Chief Financial Officer and Company Secretary

Mr T S A Finch

Senior management team

Mr M Quinn	- Headteacher, Oaklands Catholic School and Accounting officer
Ms U Clark	- Headteacher, Corpus Christi Catholic Primary School
Mrs J Oldroyd	- Deputy Headteacher
Dr A Howson	- Deputy Headteacher
Mrs B Ludlam	- Director of Sixth Form Learning / Assistant Headteacher
Mr M Bamford	- Assistant Headteacher
Mrs S Whyte	- Assistant Headteacher
Mrs A Bonnington	- Assistant Headteacher
Dr M Dixon	- Assistant Headteacher
Mr T S A Finch	- Director of Finance and Business
Mrs J Haywood	- School Business Manager, Corpus Christi Catholic Primary School

Company registration number

07721932 (England and Wales)

EDITH STEIN CATHOLIC ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Principal and registered office	Oaklands Catholic School and Sixth Form College Stakes Hill Road Waterlooville Hampshire PO7 7BW
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Academies operated	Location	Principal
Corpus Christi Catholic Primary School	Gladys Avenue North End Portsmouth PO2 9AX	U Clark

Oaklands Catholic School and Sixth Form College	Stakes Hill Road Waterlooville Hants PO7 7BW	M Quinn
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Independent auditor	Azets Audit Services Carnac Place Cams Hall Estate Fareham Hampshire PO16 8UY United Kingdom
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Bankers	Lloyds Bank 38 London Road North End Portsmouth Hampshire PO2 0LR United Kingdom
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Solicitors	Hampshire Legal Services Hampshire County Council E11 South The Castle Winchester Hampshire SO23 8UJ United Kingdom
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EDITH STEIN CATHOLIC ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a trustees' report, and a directors' report including a strategic report under company law.

The Edith Stein Catholic Academy Trust, formally known as The Catholic Academy Trust in Havant, was formed in 2011 with Oaklands Catholic School and Sixth Form College being the only school in the Trust. In early 2021 the Trust applied and was successful in achieving Academy Sponsor status. Corpus Christi Catholic Primary School joined the Trust on conversion to academy status on 1st April 2021. Oaklands Catholic School is situated within large grounds in Waterlooville, Hampshire and has 1160 pupil in the main school and 237 students in the Sixth Form. Corpus Christi Catholic Primary School is situated within a residential area of North End, Portsmouth and has 297 pupils attending. It also runs an extended schools programme before and after normal school hours.

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 the Edith Stein Catholic Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as the Edith Stein Catholic Academy Trust.

Details of the trustees who served throughout the year except as noted 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

In accordance with normal commercial practice Oaklands Catholic School has purchased insurance through Zurich Municipal Insurance Plc to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £2,000,000 on any one claim. This provision will continue to be compared against that provided by the Risk Protection Arrangement (RPA) to ensure Value for Money. On conversion Corpus Christi Catholic Primary School bought into the RPA.

Method of Recruitment and Appointment or Election of Trustees

In accordance with the arrangements set out in the Trust's articles and funding agreement, the Members of the Trust Company are appointed by the Diocesan Bishop to be responsible for the affairs and management of the Trust. The trustees are the directors of the charitable company for the purposes of the Companies Act 2006 and trustees for the purposes of charity legislation and all appointments are approved by the Diocesan Bishop. Due consideration is given to key skills which trustees will bring to the Board to ensure the Trust Company has access to a broad range of expertise. The Secretary of State may appoint trustees in exceptional circumstances. No appointments were made by the Secretary of State in 2020/21. Trustees may be removed by the person who appointed them. All trustees are appointed for a four year term. Separate arrangements are in place for the election of Governors to serve on the Local Governing body of each school within the Trust.

Policies and Procedures Adopted for the Induction and Training of Trustees

New trustees are provided with appropriate induction and training in accordance with the Trust's induction policy.

EDITH STEIN CATHOLIC ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

This commences with an induction meeting with the Chair of trustees and Chief Executive Officer prior to attending their first meeting. Following this the new trustee is assigned a mentor to provide support and guidance through their first year in position. The Trust will provide training through the Diocesan Catholic Academies and Schools Office (CASO), the Local Authority Governor Services team and any independent consultants, for example Health and Safety, tailored to suit their individual requirements.

Organisational Structure

The Trust is governed by the Board of trustees who delegate functions as appropriate to the Local Governing Bodies. The trustees exercise their powers and functions with a view to fulfilling a largely strategic role in the running of the Trust and support and challenge the Senior Management Team in their responsibilities for the day to day management of the organisation. The aim of the management structure is to devolve responsibility, increase accountability and encourage involvement in decision making at the appropriate level. The Chief Executive Officer acts as accounting officer and there is a clear structure of delegation detailed in the Scheme of Delegation document which is reviewed and approved annually.

The trustees are responsible for maintaining the Catholic ethos of the schools within the Trust, setting statutory policies, compliance with Health and Safety legislation, risk management, adopting an annual budget, monitoring the financial position of the academy by the use of budgets and making significant decisions about the direction of the Trust, and senior staff appointments.

The terms of reference for the Board of trustees and associated committees are reviewed and approved on an annual basis. The list of financial delegated authorities forms an appendix to the ESCAT Finance Policy.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Trust considers its key management personnel to be members of the Senior Management Team, Senior Leadership Team and trustees. The pay and performance targets for the CEO and CFO are subject to the scrutiny of the Performance Management Panel, which includes an independent panel member not connected with the Trust. Trustees are not remunerated for their time but have agreed an Expenses Policy to enable them to claim out of pocket expenses in order to fulfil their duties. The Trust has published a pay and remuneration statement which has been approved by the trustees.

Related Parties and Other Connected Charities and Organisations

The Havant federation of schools which consists of seven secondary schools and a local education centre work together to provide education in the local area. As a soft federation the operating policies of each school remain individual and there are no legal obligations between parties. The Trust works closely with the network of Catholic secondary and primary schools within the Diocese of Portsmouth. The network aims to share policy and procedure to support the Catholic education of students within the Diocese. Each Academy within the Trust has a service level agreement with the Diocese that provides support on issues of Governance, administration, leadership and management and admissions.

EDITH STEIN CATHOLIC ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

Trade Union Facility Time

The Trust has no employees who were relevant Union officials in the period ending 31st August 2021.

Engagement with Employees (including disabled persons)

The average number of ESCAT employees did not exceed 250 for the period 1 September 2020 to 31 August 2021.

Political donations and expenditure

No political donations or expenditure were given or expended by the Trust during the period 1 September 2020 to 31 August 2021.

Objectives and Activities

Objects and Aims

The principal object and activity of the charitable company is to provide a Catholic education for students of different abilities between the ages of 4 and 18. In accordance with the Articles of Association the Charitable Company has adopted a "Scheme of Government" approved by the Secretary of State for Education. The Scheme of Government specifies, amongst other things, the basis for admitting students to the Academies within the Trust, the areas from which the students are drawn, and that the curriculum should comply with the substance of the national curriculum. The trustees will ensure that the unique ethos of Catholic education is maintained through an emphasis on the importance of each student as an individual and the need to focus on and promote the spiritual, moral, intellectual, physical, social, personal and cultural development of each young person.

This April the Trust expanded to include Corpus Christi Catholic Primary school in Portsmouth. Whilst the Trust continues to operate under its existing mission statement, work has started to develop a new mission statement supported by both Local Governing bodies. In this interim period the Trust continues to encompass the values of Catholic education where transmission of the Gospel values is integral to the distinctiveness of the school community and where everyone is encouraged to aspire to high levels of attainment.

The Trust welcomes pupils from all backgrounds and the admissions policy ensures that an individual's economic status, gender, ethnicity, race or disability do not form part of our assessment processes. We are an equal opportunity organisation and are committed to a working environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, gender, sexual orientation or disability. We will make reasonable adjustments to meet the needs of staff or students who are or become disabled.

The Trust is committed to safeguarding and promoting the welfare of our students and expects all staff and volunteers to share this commitment. Parents are given regular information about their children's social and academic progress through parent evenings in addition to the traditional end of year reports. Regular contact with parents is maintained throughout the year through informal contacts and through newsletters and individual school websites. School Councils ensure that the views of the students are taken seriously.

Objectives, Strategies and Activities

Up until April 2021 The Trust's main strategy was encompassed in mission and strategy documents that supported one school within the Trust.

Early in 2021 the Trust was approached by the DfE to sponsor Corpus Christi Catholic Primary school in Portsmouth. The sponsorship of Corpus Christi was supported by the Catholic Diocese of Portsmouth. Corpus Christi joined the

EDITH STEIN CATHOLIC ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

Trust in April 2021.

The growth of the Trust heralded myriad changes and developments which are being reflected in the Trust's strategic planning. Foremost, the re-energising of the Trust's vision, mission and values to reflect this growth has called on all members of the Trust to reflect on and articulate the core values and manner in which the enlarged organisation has to function. At the same time, we recognise that our core function is to provide the very best educational provision for our young people.

The Trust is currently guided by a number of working documents that will inform the Strategy and Vision documents that will follow later this year. We see that our key reason as one partnership, is to be part of the Church's mission in education, to place Christ and the teaching of the Catholic Church at the centre of people's lives.

ESCAT is ambitious in its aims; both schools are drawn together through our Catholic mission and we want them to reap the full benefits of collaboration and sharing of best proven practice. The Trust believes that its schools should be distinctive and rooted within their parish and local communities. We intend to maintain the distinctive nature of each of the schools whilst sharing recognised good practice across the board to build an established Trust of excellence. The executive team works alongside school leaders, providing support and challenge. Both schools already recognise the benefits from establishing a core services platform (for example finance, human resources and IT) which not only takes advantage of economies of scale but allows the sharing of resources and best practice.

We are committed to providing all pupils, especially those who are disadvantaged with the knowledge, skills and qualifications they need to flourish as human beings; no one should be left behind. Our work is inspired by the Gospels; the message of Jesus Christ is threaded through all that we do. We aim to provide a distinctively Catholic education, with Christ and the teaching of the Catholic Church central of all we do.

Our schools aim to work together to:

- make Jesus Christ better known and better loved;
- provide the best possible opportunities for every child;
- offer a holistic education and formation (spiritual and moral, intellectual, physical and emotional);
- form disciples of Christ;
- Provide a service to society and the communities we serve

To meet these aims our strategy will focus on

- Vision values and virtues
- Culture and Ethos
- Pedagogy
- Professional Learning
- Curriculum & Assessment
- Quality Assurance and Accountability Sustainable learning environments

Our full strategy document will be published in the autumn of 2021

Priorities for 2020-2021

2020-2021 was an extraordinary year of disruption and innovation in schools; much effort went into mitigating as far as possible the educational disruption caused by the pandemic. Ensuring high-quality learning in a challenging environment continues as a priority. None the less the continuing pandemic served to reshape some aspects of the Trust's activities notably hybrid ways of working and greater use of digital technologies. Into this arena an opportunity presented itself to expand the trust to two schools. Nevertheless, the member Trusts' core concerns – already well

EDITH STEIN CATHOLIC ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

established prior to Covid-19 – retained their prominence across Catholicity, Education, Finance and HR operations

We must recognise the impact that the Covid-19 Pandemic has had on the education of children in the Trust during the Spring and Summer of 2020 and also early 2021. Our key priority for 2020-21 focused on 'recovery'. Progress with each of the above priorities will be influenced by the pace of this recovery

During the period ending 31 August 2021 the priorities have been:

- Ensuring that the unique ethos of the school is not diluted as a result of pandemic restrictions
- Ensuring the continuity of Education during the pandemic including the use of online platforms
- Risk mitigation measures in school to open schools safely and support the workforce
- Continuing to offer a broad and balanced curriculum
- Identifying 'learning gaps' and put catch-up measures in place
- Developing Leadership and Management Capacity across all schools in the Trust
- Build capacity to support growth of the Trust to incorporate Corpus Christi into the Trust

Public Benefit

The Trust provides free education for 4-18 year olds in the North End, Portsmouth and Havant, Waterlooville and surrounding area under the DfE Academies programme. Oaklands also provides the only 16-18 education in a Catholic faith environment in the region. In setting the objectives and aims of the Trust, the Trustees have given careful consideration to the Charity Commission's guidance on public benefit. The Trustees confirm that during the period ending 31 August 2021 they have ensured that all decisions made in the course of discharging their duties have been made with due regard to the Charity Commissions guidance on public benefit and that this Trustee's report confirms how this has been achieved.

Strategic report

Achievements and Performance

REVIEW OF ACTIVITIES SPECIFIC TO A CATHOLIC SCHOOL

The Trust continues to work at drawing its community into a deeper communion with God through a stronger understanding, experience and practice of faith. The schools within the Trust form an inclusive Christian community deeply rooted in the values of the Gospel. All members of the community share the mission of the Diocese, with a sense of community pride permeating the atmosphere.

Similar to the issues within parish life, the global pandemic has had a significant impact on the number of activities where students and staff can join together. Despite this a number of events and activities have occurred during the period to further our Catholic mission.

Oaklands Catholic School - September 2020- August 2021

- Development of spiritual activities to support the wider Edith Stein Partnership
- On line masses and worship events, a number of which were shared with the wider Catholic community
- We continued to develop The Romero Award, a national award scheme to recognise Catholic social teaching in our schools.
- When restrictions permitted, celebration of the Eucharist continued in school. Father Jeremy, Father Gerard and Father Mark have shared the responsibility of celebrating mass in school along with occasional support from other priests in the area.

EDITH STEIN CATHOLIC ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

- The school continued with its restorative justice approach which puts reconciliation and forgiveness at the heart of the behavioural process,
- Despite the pandemic the St John's fund remains healthy allowing us to support a significant number of students in Kenya.
- The induction programme for Sixth Form included specific input related to spiritual development from the School Chaplain.
- A number of Mission Days/Mornings were held around the Pandemic restrictions.
- During lockdown, daily prayers were sent out to all staff and students.
- The Chaplaincy Instagram was used for live prayers and opportunities for worship.
- The end of Year Mass was celebrated via live stream on YouTube and was watched by many.

Corpus Christi Primary School - April 2021- August 2021

- Further development of opportunities to promote pupils' spiritual development, including Eucharistic Adoration for children in Years 5 and 6, joining the Parish each week for Mass.
- Induction of new Parish Priest to the life of the school
- Support for sacramental preparation for First Holy Communion and Reconciliation, led by School Staff
- Celebration of Holy Days of Obligation, including Pentecost where we celebrated the school's rich cultural diversity with pupils dressing to reflect their cultural background and Corpus Christi Feast Day where the school reflected on our core purpose.
- End of Year Mass celebrated for year 6
- Charitable giving including CAFOD donation

Key Performance Indicators

As part of steps taken in response to the coronavirus pandemic, the government announced that all statutory key stage 1 and 2 assessments, tests and GCSEs, AS levels, A levels, other regulated general qualifications and some vocational and technical qualifications due to take place in schools and colleges in England in summer 2020 and in spring and summer 2021 would not go ahead as planned. As a result of this the DfE decided not to publish comparative performance table data

Oaklands Catholic School

As a result of the Covid-19 pandemic and the decision to cancel terminal GCSE and A level examinations, schools were directed to use Teacher Assessed grades (TAGs)

TAGS were generated using a range of evidence including classwork, class assessments, mock examinations, NEA and final evidence appraisal assessments. In any case where a student was absent at a time a piece of evidence was being collected either a suitable piece of evidence was substituted or a heavier weighting on the other evidence was given, so no student was disadvantaged for a missing piece of evidence. Special considerations could only be applied in extreme circumstances and where these were applicable they were taken into account when generating the final grade.

Y11			
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EDITH STEIN CATHOLIC ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

	2021 TAGS	2020 CAGS	2019 EXAMS
English % 9-4	96.41	89.95	94.59
English % 9-7	37.22	31.96	38.29
Maths % 9-4	86.04	77.63	86.04
Maths % 9-7	30.63	19.63	21.17
Science % 2 x 9-4	83.41	77.63	81.53
EBAc standard	48.43	37.90	36.04
EBAC strong	37.67	23.74	19.82

Grade 9-4 or above in English and maths GCSEs

This shows the percentage of pupils who achieved grade 9-4 or above in English and Maths in 2021. Measured as a TAG/CAG. The only comparative data we have is the Exam assessment data from previous years.

EBacc average point score

The EBacc score is calculated across the 5 subjects, allocating points to a pupil's best grades to create an average point score per pupil.

Y13			
	2021 TAGS	2020 CAGS	2019 EXAMS
%A*-A	39.26	40.41	22.83
%A*-B	66.53	68.57	50.16
%A*-C	88.02	86.53	71.70
%A*-D	95.04	95.92	89.71
%A*-E	99.19	99.59	96.46

For the purpose of comparison, there was an increase in overall pass rates however it should be noted that similar to GCSE the method of assessment has changed.

Despite the application of Teacher Assessed Grades, the results this year reflect a significant achievement and the increasing skills and abilities of staff to prepare students for the revised method of assessment.

Although these headlines show a marked increase, this is a fair reflection of the impressive and improving performance of the cohort at lockdown.

EDITH STEIN CATHOLIC ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

Ofsted Oaklands

Oaklands Catholic School was last inspected on 24th January 2017. The school was awarded a good judgement under the framework in place at the time. The Governors were very pleased with the outcome, particularly as Ofsted recognised the improvement in teaching and learning since the last inspection. It is also worth noting that we are one of the highest performing state schools in Hampshire and Portsmouth by the most testing measures; the EBacc measure. Ofsted also recognised that *"in 2016, a higher than average proportion of Year 11 pupils gained good GCSEs. Almost twice the national average obtained a C grade or better in English, Mathematics, science, humanities and language."* We are very pleased that the Inspectors acknowledged that *"staff know how to keep pupils safe"*. They also recognised that staff go *"above and beyond to support pupils academically and socially"*. In the Sixth Form, students *"recognise the increased level of challenge"* and leaders, *"focus most stringently on individuals who fall behind"*. The inspection was carried out under the framework that was introduced in September 2016. With each variation, Ofsted 'raise the bar' compared with previous regimes. This makes it difficult to compare this inspection with any other held under the previous framework, or to make comparisons between schools awarded a similar grade description under previous frameworks. The inspection process did not expose any new issues for the school and the Governing Body. In a school the size and complexity of Oaklands, there is always more to do, and we are getting on with it. In the meantime, there is a great sense of pride in our school where the results speak for themselves and Ofsted recognised that we live our mission which includes the principle "no one gets left behind".

Section 48 Validation

Oaklands Catholic School underwent a Section 48 Validation in March 2019. The school was judged to be outstanding across all 4 areas, with an overall Outstanding judgement

- I The school as a Catholic Community
- I Curriculum Religious Education
- L Spiritual and Moral Development
- LI Leadership and Management

The Validation report stated that the headteacher and his senior team consistently model a professional and authentic approach to Catholic education, which inspires the school community to share a strong sense of purpose, vision and mission. Governors' commitment to the Catholic life of the school is exemplary. Their support and challenge has enabled the school to thrive and grow, united by the cross.

The Validators agreed with the school's self-review and areas for development, which were:

- Provide varied opportunities for parents to attend worship in school and engage with curriculum events that give them a clear understanding of what is taught in RE.
- The RE department should continue to develop and monitor the effectiveness of strategies to improve progress in KS3 and 4.

Ofsted Corpus Christi

Corpus Christi Catholic Primary School was last inspected in June 2019 where the school was issued an academy order as it was judged as inadequate. In March 2020, HMI Inspection recognised improvements in safeguarding

EDITH STEIN CATHOLIC ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

procedures but judged improvements in teaching and learning had not been fully addressed. In addition, HMI issued an additional priority to improve reading. Governors and staff were extremely disappointed with the result and have worked rigorously to address the key priorities. Senior leaders and Governors have created a robust safeguarding culture and addressed the priorities to improve the teaching of early reading, reading in KS2, sequence of learning in maths and the wider curriculum. In 2020-21 an experienced headteacher was appointed and leaders' roles and responsibilities were reviewed and clarified. In November 2020 and January 2021 the school received HMI visits to review the school's operation during and recovery from COVID; both these visits recognised that the school was taking appropriate actions to support pupils' education at this time. The school retains a strong sense of purpose and commitment to on-going improvement.

In the June 2019 Ofsted report the following were identified as areas where the school needed to improve further:

Urgently improve safeguarding procedures, including in early years, by ensuring that:

- all staff read the statutory guidance (Part 1 of Keeping Children Safe in Education 2018) and receive training to help them understand and apply this guidance
- at least one member of a recruitment panel has received training in safer recruitment
- the single central register of recruitment checks complies with statutory requirements
- all staff know whom to refer to with any concerns about pupils' welfare
- break and lunchtime supervision is effective so that pupils play safely and are considerate of others.

Improve leadership and management, including governance, by ensuring that:

- governors fulfil their statutory duties, especially with regard to safeguarding
- leaders have clear roles and responsibilities that are understood by all staff
- weak teaching is tackled quickly and effectively
- records relating to pupils' behaviour are kept accurately
- the curriculum is reviewed to ensure that pupils' knowledge and skills build sequentially in all subject areas. Improve the quality of teaching to enable pupils to make stronger progress throughout the school by:
 - using assessment accurately so that any gaps in pupils' learning are filled and pupils who fall behind are quickly helped to catch up
 - planning work that challenges pupils, especially the most able, so that they think deeply and try hard
 - improving teachers' subject knowledge, especially in mathematics
 - checking that additional teaching for pupils with SEND helps them to make good progress from their starting points.

Leaders must implement a systematic approach to the teaching of phonics. They should also ensure that the texts pupils read should provide them with opportunities to practise their phonics knowledge.

Section 48

Corpus Christi Catholic Primary School underwent a Section 48 validation in February 2016 and will be due a Section 48 Inspection at some point in the 2021-22 academic year. The school was judged to be good overall, with the following areas graded as outstanding:

- 11 The school as a Catholic Community
- 11 Spiritual and Moral Development
- 11 Leadership and Management

EDITH STEIN CATHOLIC ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

Teaching and Learning in RE judged as good. For primary schools, with no national comparative data for RE at KS2 it is more difficult for schools to demonstrate outstanding attainment. In addition, all our teachers are teachers of RE with limited specialist knowledge.

The Validation report recognised that the school was an outstanding example of a Catholic community with its mission centred on supporting children to develop their relationship with Christ and reach their full potential.

The school also had a RE Monitoring Visit in September 2019 which recognised it had continued to work on-going improvements in RE.

Validators agreed with the school's judgements and priorities;

- Ensure all RE planning is driven by the level descriptors and is less prescriptive. This will enable teachers to deliver RE lessons that provide more challenge and encourage pupils to engage in higher level thinking and discussion.
- Provide more opportunities for children to engage with and respond to big questions within lessons.

Attendance

The global pandemic caused by the COVID 19 Coronavirus had a significant impact on attendance figures during the period of partial lockdown during the academic year. During lockdown, schools made a daily submission of attendance data to the DfE. Additional reporting was completed on the attendance of all students categorised as vulnerable; that is students with EHCP's, students with social workers (including looked after children) and children open to early help. Reporting attendance data in any other format was suspended. There is therefore no final report on 2020-2021 attendance

Pupil recruitment

The Trust Schools remains popular in the local areas they serve and continue to have more applications than places. At Oaklands, for application into Yr 7 starting September 2020 year 421 parents expressed a preference against 232 places. Sixth form recruitment whilst remaining challenging had a noticeable increase in the numbers for the 2020 intake.

Corpus Christi, remains a popular choice of school for parents. Although there are spaces in Yr1 and EY all other year groups are full. Portsmouth City Council intelligence predicts a falling birth rate over the next 4 years.

The table below depicts the trend of student numbers over the past 5 years:

	2017/18	2018/19	2019/20	2020/21
R – Yr 6	310	310	310	300
Yr 7 – 11 NOR	1133	1136	1140	1140
Sixth Form NOR	238	231	186	231

Staff costs

Total staffing costs represent 88.8% of government income and 74.8% of expenditure. The pressures of increased Employer pension contributions, salary rises and above inflation rises in other items of expenditure continue to have a significant impact on the budget. Measures to reduce the number of teaching staff, support staff and other expenditure efficiencies continued to be closely monitored as part of a review of the financial stability plan and through strategic financial planning over the next three years.

Going Concern

EDITH STEIN CATHOLIC ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

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. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies note of the financial statements.

Financial Review

(1) SUMMARY

Most of the Trust's income is obtained from the Department for Education via the Education and Skills Funding Agency in the form of recurrent grants, the use of which is restricted to the purposes of education. The grants received from the ESFA during the period ended 31 August 2021 and the associated expenditure are shown as restricted funds (non-fixed assets) in the statement of financial activities.

The Trust also receives grants for fixed assets from the ESFA. In accordance with the SORP, 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.

Other income is received from parental donations, bank interest and the hire of facilities at each Academy School within the Trust.

During the period ended 31 August 2021 total income was £8,544,714, which is mainly made up of recurrent grant funding from the ESFA. Total expenditure in the year of £9,442,514 was £897,800 more than the total income received (excluding restricted fixed asset fund and pension reserve).

At 31 August 2021 the net book value of fixed assets was £181,894 and the movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the students of the Trust.

Within the Trust individual academy schools are entitled to bid for funding from the ESFA via the Capital Improvement Fund. During the 2020/21 financial year Oaklands completed the re-fenestration of Thomas More, one of the School's 3 storey teaching blocks, from CIF funding secured in the previous year.

(2) FINANCIAL AND RISK MANAGEMENT OBJECTIVES AND POLICIES

In accordance with the funding agreements made between the Department for Education, the Trust and the individual Academy Schools, the financial practices and procedures must comply with the Academy Handbook as well as Company Law and SORP (The Statement of Recommended Practice) guidance for Charities. The Trust has produced its own ESCAT Manual of Financial Practice and Procedures based on this guidance and every member of Trust staff with any financial responsibility is expected to read and adhere to its procedures. The trustees approve a financial timetable to ensure that a realistic and robust annual budget is set and approved and that a process of budget revision is carried out at regular intervals throughout the financial year. The Chief Financial Officer ensures monthly monitoring of budgets against actuals takes place and significant variances are reported to trustees via the Local Governing Bodies and appropriate sub-committees that meet regularly throughout the year. 3-year budget plans are produced to take into account the key priorities in each academy school development plan and the level of surplus to carry forward on an annual basis is discussed and approved by trustees to ensure it supports the strategic vision. Cash flow analysis is carried out on a monthly basis and monthly cash surpluses are invested to ensure the best return. During

EDITH STEIN CATHOLIC ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

the year ended 31st August 2021 the level of interest received from monies on notice and instant access deposit accounts fell short of the level paid for bank charges and the level of return has remained low due to low interest rates on deposits. A scheme of delegated authority ensures decisions are taken at the appropriate level and that expenditure on larger projects is subject to discussion in the appropriate forum.

The Trust's non-teaching staff are entitled to membership of the Local Government Pension Scheme. As described in note 21 of the Financial Accounts the LGPS obligation relates to the employees of the academy trust, who were the employees transferred as part of academy conversion and new employees who were eligible to, and did, join the scheme since conversion and during the year ended 31 August 2021. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy trust at the balance sheet date. The Trust's share of the Scheme's assets is currently assessed to be less than its liabilities in the Scheme, and consequently the balance sheet shows a net liability of £3,662,000.

Reserves Policy

The Trust's aim is to use the allocated funding each year for the full benefit of our current students. However, we also consider it necessary to carry forward some reserves to:

- Provide sufficient working capital to cover delays between spending and receipt of grants;
- To invest in future years' priorities for the children of our schools, for example capital projects; and have plans in place to maintain reserves over the next three years for this purpose;
- To have a contingency reserve to cover expenditure required for unforeseen circumstances such as urgent maintenance and unfunded increases in salary costs.

The level of free reserves (total funds less fixed asset and other restricted funds) held at 31 August 2021 was £276,624 which the Board of Trustees consider is reasonable to meet the above objectives, noting the aim to expend some of our reserves on capital projects over the next 12 to 24 months.

Investment Policy

The Trust operates several bank accounts which are maintained to ensure the effective financial management of its liquid assets. They mainly comprise of current accounts which are low interest bearing accounts and incur bank charges on various transactions. Each Academy School may hold surplus monies in a 30-day notice interest bearing account subject to the cash flow requirements of each academy school.

It is the policy of the trustees to ensure that all surplus cash balances when available are invested to gain additional interest and that all interest gained will be used for the benefit of the students in the provision of education.

Correction of land and buildings balances

On formation of The Catholic Academy Trust in Havant in 2011, now named the Edith Stein Catholic Academy Trust, the leasehold land and buildings occupied by Oaklands Catholic School and Sixth Form College and owned by the Catholic Diocese of Portsmouth were included in the accounts at fair value as, in the opinion of the directors at the time, the Trust's rights over the premises met the definition of an asset as defined by FRS102, being a resource controlled by the entity as a result of past events and from which future economic benefits are expected to flow. Since this date the land and buildings have been held on the balance sheet and were being depreciated over their useful lives.

Following Corpus Christi Catholic Primary School joining the Trust on 1 April 2021, the current directors have been in discussions with the Diocese over whether the rights over the land and buildings occupied by this school met the definition of an asset. In reviewing the agreement with the Diocese in relation to these premises and in particular

EDITH STEIN CATHOLIC ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

considering the 2 year notice period that could be given for the school to vacate the premises and the requirement for the Diocese to approve works to the school, the trustees have concluded they do not have control over this asset and have therefore not recognised these assets on the balance sheet.

Since the Corpus Christi land and buildings are occupied under the same terms as the Oaklands land and buildings, the directors have reconsidered their assessment of the treatment of the Oaklands land and buildings and have concluded that on balance the rights over these premises also do not meet the definition of an asset. As this is a change in accounting policy the removal of the Oaklands land and buildings from the balance sheet has been treated as a prior year adjustment. The depreciation charged in the year to 31 August 2020 has been reversed and the statement of financial activities adjusted accordingly.

This does not affect the directors consideration with regard to the trust remaining a going concern.

Principal Risks and Uncertainties

The trustees confirm that the major risks to which the Trust is exposed have been reviewed, in particular relating to ethos, safety, including the global COVID 19 coronavirus pandemic, management of resources, delivery of the planned curriculum, IT security and leadership and management of the Trust. Financial risks such as reduction of income due to falling numbers on roll, inadequate cash flow and pension deficit balances are also reviewed along with the Trust's financial procedures which seek to reduce the risk of fraud and ensure compliance with the principles of best value.

Risk Management

All risks have been assessed with regard to impact and probability and actions identified to mitigate the risks. Responsibility for these actions are assigned to a member of the Senior Management Team and the Audit and Risk Committee who are responsible for reviewing the progress on a half yearly basis and an annual review by the trustees is carried out.

Fundraising

The Trust undertakes fundraising activities, for example through fetes, cake sales, non-uniform days and a sponsor a child scheme to pay for children to go to School in Korogocho, Kenya. The Trust raises funds in order to support its own operations and also to make donations to local, national and international charities. Whilst the opportunities to fund raise were significantly affected by the global COVID 19 coronavirus pandemic examples of fundraising in the period ending 31st August 2021 included:

• Macmillan Cancer	£386
• Rowans Hospice	£123
• Save the Children	£147
• Read for Good	£164
• Genocide Memorial Project	£104
• CAFOD	£1,816
• St John's School, Korogocho, Kenya	£6,532
• Missio	£476
• Red Wednesday	£178
• Doctors without borders	£133

The Trust undertakes all such activities itself, with help of its Staff, Students and their families. We confirm that when fundraising:

EDITH STEIN CATHOLIC ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

- No unsolicited approaches are made to members of the public
- No commercial participators are used
- No regularity schemes or standards are applicable
- No complaints were made to the academy Trust during the year

Streamlined Energy and Carbon Reporting

In accordance with the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 the Trust is not required to report on its emissions, energy consumption or energy efficiency activities as it does not meet the criteria of being a large company as defined in section 465 and 466 of the Companies Act 2006..

Plans for Future Periods

The continuing changing landscape of funding for education will mean challenging financial implications for the Trust. The trustees await the outcome of the government spending review in the hope that funding for education will help compensate for the rising costs particularly in National Insurance salary costs. Whilst the detail is still awaited the trustees remain committed to regularly reviewing its Financial Stability Plan which includes the following ongoing priorities:-

- Maintain optimum teaching staffing costs in all Key Stages in tandem with efficiencies in curriculum delivery and options offered at KS4 and KS5.
- Maintain the optimum number of support staff and external staff whilst retaining the capacity to fulfil legislative driven requirements
- Other non-staff cost reductions and increased income generation
- To secure capital funding for the refurbishment of buildings, giving priority to health and safety, other compliance issues and condition of the Trust's school buildings
- Continue to build on the increase in pupil numbers, as part of the published admission number (PAN) in the Main schools and Sixth Form provision to offset funding cuts
- Review of IT infrastructure to maximize efficient utilization against the changing needs of the curriculum
- A further review of the Financial Stability Plan will be undertaken in 2021/22.

Funds held as Custodian Trustee on Behalf of Others

The Academy does not hold any funds as a Custodian trustee on behalf of others.

Auditor

In so far as the trustees are aware:

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

EDITH STEIN CATHOLIC ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on ...8./12/21.... and signed on its behalf by:



Capt M D Evans RN
Chair of Trustees

EDITH STEIN CATHOLIC ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021

Scope of responsibility

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

As trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The board of trustees has delegated the day-to-day responsibility to the principal, 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 Edith Stein Catholic Academy 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 four times during the year. Prior to the trust expanding with the subsuming of Corpus Christi Catholic Primary School into the trust the members of the Local Governing Body of Oaklands Catholic School also served as the trustees for the trust. As an LGB they met 7 times in the year and were therefore able to maintain effective oversight of Trust funds. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
Ms M Brooks (Resigned 6 July 2021)	0	3
Dr E Cluett (Resigned 6 July 2021)	3	3
Mr I Colley (Resigned 6 July 2021)	2	3
Capt M D Evans RN (Chair of Trustees)	4	4
Mr C Farrugia (Resigned 5 December 2020)	1	2
Rev J Garratt	1	4
J Hoar (Resigned 6 July 2021)	2	3
Mr W Layton	4	4
Mr N Parker (Resigned 28 July 2021)	3	3
Mr J Skelton (Resigned 6 July 2021)	3	3
Miss M D Miles (Resigned 6 July 2021)	2	3
Mrs D Burroughs (Resigned 6 July 2021)	3	3
Mrs E Boulton (Resigned 6 July 2021)	3	3
Mrs T G E Hudson (Resigned 6 July 2021)	3	3
Miss L M Bourne (Appointed 8 July 2021)	0	1
Miss N E Lucas (Appointed 14 July 2021)	1	1
Mrs G Rennicks (Appointed 8 July 2021)	1	1

The composition of the Board of Trustees was significantly changed once the trust expanded from a single academy school Trust to a multi academy Trust when Corpus Christ Catholic Primary School joined the Trust on conversion on 1 April 2021. The Members directed that in order to maintain an element of independence from both schools in the Trust that a new board of trustees should be formed to include independent trustees with no prior association of either school. The coverage of the board's work continued to be wide ranging throughout the year and included focus on teaching and learning, business and collaboration, and ethos and strategy. The board have risen to the challenge of overseeing the due diligence work that was conducted prior to Corpus Christi Catholic Primary School joining the Trust. As the new constituted board of trustees has settled in, the opportunity has been taken to review the scheme of delegation and other areas of governance and this will continue into the next academic year.

EDITH STEIN CATHOLIC ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Review of value for money

As accounting officer, the Chief Executive Officer 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 or by using a framework where appropriate. The accounting officer for the academy trust has delivered improved value for money during the year by:

- Flexible use of support staff to provide the most cost effective, efficient and professional support to the teaching and learning;
- Comparing with other similar schools with the use of financial benchmarking data based on ESFA annual returns data;
- The investment of cash surpluses in interest bearing accounts to maximise income used to support teaching and learning;
- Continually seeking and successfully securing capital funding, bids and grants to support capital works thus releasing revenue income for use to support the changes in curriculum and counter increases in staff costs;
- Reviewing the provision of service level agreements including those currently secured through the local authorities with a view to reducing costs whilst ensuring consistent delivery of support services to the Academy;
- Reducing the use of external providers for training and mentoring support complemented with greater use of webinars to reduce training costs;
- Effective use of curriculum and pastoral intervention to ensure students receive the best support in the most cost effective manner;
- Minimising over supply of teaching staff against periods required to deliver the curriculum;
- Provision of ICT equipment to meet the change in demand as a result of moving away from exams that demand extensive authoring of coursework and controlled assessment; and
- Reducing the use of external education and curriculum providers to deliver bespoke packages at Key Stage 4.

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 ongoing process designed to identify and prioritise the risks to the achievement of the academy trust's 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 the Edith Stein Catholic Academy Trust for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

EDITH STEIN CATHOLIC ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the trustees through reports from the Local Governing Bodies and the appropriate sub-committees which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- identification and management of risks.

The board of trustees has decided:

- to buy in an internal audit service from Hopper, Williams and Bell Ltd, Chartered Accountants

The internal auditor's role includes giving advice on financial and other matters and performing a range of checks on the academy trust's financial and other systems. In particular, the checks carried out in the current period included:

- testing of procurement processes
- testing of compliance against Academy Trust Handbook
- testing of follow up on prior years audit findings
- testing of Corpus Christi Catholic Primary School financial compliance post conversion.

On a twice yearly basis, the auditor reports to the board of trustees through the audit and risk committee on the operation of the systems of control and on the discharge of the financial responsibilities of the board of trustees, and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The schedule of work has been completed as planned and all recommendations made were of a medium nature (attention required) and actions have been put in place to fulfil the recommendations made.

Review of effectiveness

As accounting officer, the Chief Executive Officer 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 internal scrutineer;
- the work of the external auditor;
- the school resource management self-assessment tool;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

No significant internal control issues were found requiring urgent attention.

EDITH STEIN CATHOLIC ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the audit committee and a plan to address weaknesses [if relevant] and ensure continuous improvement of the system is in place.

Approved by order of the board of trustees on 08 December 2021 and signed on its behalf by:



Capt M D Evans RN
Chair of Trustees

EDITH STEIN CATHOLIC ACADEMY TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2021

As accounting officer of Edith Stein Catholic Academy Trust I have considered my responsibility to notify the academy trust board of trustees and the Education & 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 2020.

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 2020.

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



Mr M Quinn
Accounting Officer

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EDITH STEIN CATHOLIC ACADEMY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees (who are also the directors of Edith Stein Catholic Academy Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2020 to 2021 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 accounts for each financial year. Under company law, the trustees must not approve the accounts 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 accounts, the trustees are required to:

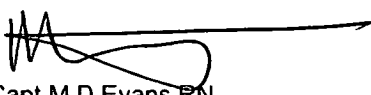
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 accounts 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the board of trustees on 8/12/21 and signed on its behalf by:


Capt M D Evans RN
Chair of Trustees

EDITH STEIN CATHOLIC ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EDITH STEIN CATHOLIC ACADEMY TRUST

FOR THE YEAR ENDED 31 AUGUST 2021

Opinion

We have audited the accounts of Edith Stein Catholic Academy Trust for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, 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 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 2020 to 2021.

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 accounts' 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 accounts 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the academy trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information, which comprises the information included in the annual report other than the accounts and our auditor's report thereon. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

EDITH STEIN CATHOLIC ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EDITH STEIN CATHOLIC ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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 accounts are prepared is consistent with the accounts; 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 accounts 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 accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, 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 accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

EDITH STEIN CATHOLIC ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EDITH STEIN CATHOLIC ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of senior leadership, Trustees and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations including compliance with the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency;
- Performing audit work over the recognition of grant income and the allocation of expenditure to funds;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

A further description of our responsibilities for the audit of the accounts 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.

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.

Zara Hogg FCA, BA (Hons) (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

Chartered Accountants
Statutory Auditor

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Carnac Place
Cams Hall Estate
Fareham
Hampshire
United Kingdom
PO16 8UY

EDITH STEIN CATHOLIC ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO EDITH STEIN CATHOLIC ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2021

In accordance with the terms of our engagement letter dated 22 September 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Edith Stein Catholic Academy Trust during the period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Edith Stein Catholic Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Edith Stein Catholic Academy 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 Edith Stein Catholic Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Edith Stein Catholic Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Edith Stein Catholic Academy Trust's funding agreement with the Secretary of State for Education dated 1 September 2011 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts 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.

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas of assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion as well as additional testing based on our assessment of risk of material irregularity.

EDITH STEIN CATHOLIC ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO EDITH STEIN CATHOLIC ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant

Azets Audit Services

Dated:

EDITH STEIN CATHOLIC ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

		Unrestricted funds	Restricted funds:		Total 2021	Total 2020 as restated
	Notes	£	General	Fixed asset	£	£
Income and endowments from:						
Donations and capital grants	3	-	8,929	356,286	365,215	932,238
Donations - transfer from local authority on conversion	27	101,647	(603,000)	6,088	(495,265)	-
Charitable activities:						
- Funding for educational operations	4	-	8,662,118	-	8,662,118	7,775,041
Other trading activities	5	12,539	-	-	12,539	13,714
Investments	6	107	-	-	107	3,581
Total		<u>114,293</u>	<u>8,068,047</u>	<u>362,374</u>	<u>8,544,714</u>	<u>8,724,574</u>
Expenditure on:						
Charitable activities:						
- Educational operations	9	3,550	8,886,593	552,371	9,442,514	9,355,215
Total	7	<u>3,550</u>	<u>8,886,593</u>	<u>552,371</u>	<u>9,442,514</u>	<u>9,355,215</u>
Net income/(expenditure)		110,743	(818,546)	(189,997)	(897,800)	(630,641)
Transfers between funds	19	-	(68,263)	68,263	-	-
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit pension schemes	21	-	222,000	-	222,000	(412,000)
Net movement in funds		110,743	(664,809)	(121,734)	(675,800)	(1,042,641)
Reconciliation of funds						
Total funds brought forward		<u>165,881</u>	<u>(2,683,981)</u>	<u>152,437</u>	<u>(2,365,663)</u>	<u>(1,323,022)</u>
Total funds carried forward		<u>276,624</u>	<u>(3,348,790)</u>	<u>30,703</u>	<u>(3,041,463)</u>	<u>(2,365,663)</u>

EDITH STEIN CATHOLIC ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2021

Comparative year information Year ended 31 August 2020 As restated	Notes	Unrestricted funds £	Restricted funds: General Fixed asset £ £		Total 2020 £
Income and endowments from:					
Donations and capital grants	3	-	6,174	926,064	932,238
Charitable activities:					
- Funding for educational operations	4	-	7,775,041	-	7,775,041
Other trading activities	5	13,714	-	-	13,714
Investments	6	3,581	-	-	3,581
Total		<u>17,295</u>	<u>7,781,215</u>	<u>926,064</u>	<u>8,724,574</u>
Expenditure on:					
Charitable activities:					
- Educational operations	9	4,770	7,985,051	1,365,394	9,355,215
Total	7	<u>4,770</u>	<u>7,985,051</u>	<u>1,365,394</u>	<u>9,355,215</u>
Net income/(expenditure)		12,525	(203,836)	(439,330)	(630,641)
Transfers between funds	19	-	(151,207)	151,207	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	21	-	(412,000)	-	(412,000)
Net movement in funds		12,525	(767,043)	(288,123)	(1,042,641)
Reconciliation of funds					
Total funds brought forward		153,356	(1,916,938)	440,560	(1,323,022)
Total funds carried forward		<u>165,881</u>	<u>(2,683,981)</u>	<u>152,437</u>	<u>(2,365,663)</u>

EDITH STEIN CATHOLIC ACADEMY TRUST

BALANCE SHEET

AS AT 31 AUGUST 2021

		2021		2020 as restated	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	13		181,894		335,492
Current assets					
Stocks	14	10,391		11,920	
Debtors	15	495,979		445,882	
Cash at bank and in hand		943,375		575,964	
		<u>1,449,745</u>		<u>1,033,766</u>	
Current liabilities					
Creditors: amounts falling due within one year	16	(877,678)		(674,720)	
Net current assets			<u>572,067</u>		<u>359,046</u>
Total assets less current liabilities			<u>753,961</u>		<u>694,538</u>
Creditors: amounts falling due after more than one year	17		(133,424)		(157,201)
Net assets before defined benefit pension scheme liability			<u>620,537</u>		<u>537,337</u>
Defined benefit pension scheme liability	21		(3,662,000)		(2,903,000)
Total net liabilities			<u>(3,041,463)</u>		<u>(2,365,663)</u>
Funds of the academy trust:					
Restricted funds	19				
- Fixed asset funds			30,703		152,437
- Restricted income funds			313,210		219,019
- Pension reserve			(3,662,000)		(2,903,000)
Total restricted funds			<u>(3,318,087)</u>		<u>(2,531,544)</u>
Unrestricted income funds	19		<u>276,624</u>		<u>165,881</u>
Total funds			<u>(3,041,463)</u>		<u>(2,365,663)</u>

The accounts on pages 29 to 54 were approved by the trustees and authorised for issue on 8/12/21 and are signed on their behalf by:



Capt M D Evans RN
Chair of Trustees

Company Number 07721932

EDITH STEIN CATHOLIC ACADEMY TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

		2021		2020 as restated	
	Notes	£	£	£	£
Cash flows from operating activities					
Net cash used in operating activities	22		(154,440)		(1,605,450)
Cash funds transferred on conversion			101,647		-
			<u>(52,793)</u>		<u>(1,605,450)</u>
Cash flows from investing activities					
Dividends, interest and rents from investments		107		3,581	
Capital grants from DfE Group		497,462		1,061,198	
Capital funding received from sponsors and others		(9,102)		-	
Purchase of tangible fixed assets		<u>(44,486)</u>		<u>(127,430)</u>	
Net cash provided by investing activities			443,981		937,349
Cash flows from financing activities					
Repayment of government loan		<u>(23,777)</u>		<u>(23,777)</u>	
Net cash used in financing activities			<u>(23,777)</u>		<u>(23,777)</u>
Net increase/(decrease) in cash and cash equivalents in the reporting period			367,411		(691,878)
Cash and cash equivalents at beginning of the year			<u>575,964</u>		<u>1,267,842</u>
Cash and cash equivalents at end of the year			<u><u>943,375</u></u>		<u><u>575,964</u></u>

EDITH STEIN CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

Edith Stein Catholic Academy Trust is a private charitable company limited by guarantee incorporated in England and Wales. The registered office is Oaklands Catholic School and Sixth Form College, Stakes Hill Road, Waterlooville, Hampshire, PO7 7BW.

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 accounts 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 accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

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 accounts.

As at 31 August 2021 the Trust has net current assets of £572,067 and taking into account the Trust's future cash-flow forecast have sufficient funding in place to meet it's liabilities as they fall due.

The Trustees have a reasonable expectation that the funding needs will be met and therefore believe it is appropriate to prepare the financial statements on a going concern basis.

1.3 Conversion to an academy trust

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from Corpus Christi Catholic Primary School to the academy trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Donations – transfer from local authority on conversion in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transaction are set out in note 27.

1.4 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.

EDITH STEIN CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

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.

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.

1.5 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.

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.

EDITH STEIN CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.6 Tangible fixed assets and depreciation

IT assets costing £1,200 and Fixtures assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding 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. 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, 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% straight line
Fixtures, fittings & equipment	33% 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.

1.7 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.

1.8 Leased assets

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

1.9 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.

EDITH STEIN CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.10 Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Provision is made for obsolete and slow moving stock.

1.11 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.

1.12 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated 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.

1.13 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 Education and Skills Funding Agency.

EDITH STEIN CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

The Trustees believe that the only critical judgement which is critical to the academy trust's financial statements is regarding going concern as detailed on note 1.2 to the financial statements.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Private sponsorship	-	8,929	8,929	6,174
Capital grants	-	356,286	356,286	926,064
	<hr/>	<hr/>	<hr/>	<hr/>
	-	365,215	365,215	932,238
	<hr/>	<hr/>	<hr/>	<hr/>

EDITH STEIN CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
DfE / ESFA grants				
General annual grant (GAG)	-	7,045,840	7,045,840	6,529,270
Other DfE / ESFA grants:				
Pupil premium	-	254,736	254,736	214,646
Teachers pension grants	-	257,494	257,494	266,045
Teachers pay grants	-	91,125	91,125	94,151
Others	-	196,136	196,136	49,159
	-	7,845,331	7,845,331	7,153,271
Other government grants				
Local authority grants	-	122,311	122,311	49,161
Special educational projects	-	-	-	18,608
	-	122,311	122,311	67,769
Exceptional government funding				
Coronavirus job retention scheme grant	-	11,161	11,161	32,352
Other Coronavirus funding	-	226,437	226,437	1,707
	-	237,598	237,598	34,059
Other incoming resources	-	456,878	456,878	519,942
Total funding	-	8,662,118	8,662,118	7,775,041

The academy trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "exceptional government funding".

- The academy furloughed some of its catering and music teacher staff under the government's CJRS. The funding received of £11,161 (2020: £32,352) relates to staff costs which are included within note 10 below as appropriate.

- The academy received other coronavirus funding of £226,437 (2020: £1,707). The related costs are included in notes 7 and 9 below as appropriate.

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Hire of facilities	12,539	-	12,539	13,714

EDITH STEIN CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Short term deposits	107	-	107	3,581

7 Expenditure

	Staff costs £	Non-pay expenditure Premises £	Other £	Total 2021 £	Total 2020 £
Academy's educational operations					
- Direct costs	5,606,176	-	535,447	6,141,623	5,729,235
- Allocated support costs	1,685,455	1,113,404	502,032	3,300,891	3,625,980
	7,291,631	1,113,404	1,037,479	9,442,514	9,355,215

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Fees payable to auditor for:		
- Audit	11,550	6,200
- Other services	2,700	5,375
Operating lease rentals	20,501	16,591
Depreciation of tangible fixed assets	204,171	217,407
Net interest on defined benefit pension liability	51,000	38,000

8 Central services

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

- payroll services;
- human resources;
- financial services;

The academy trust charges for these services on the following basis:

- average number of staff employed for payroll services and human resources
- time-apportioned for financial services

The amounts charged during the year were as follows:

	2021 £	2020 £
Corpus Christi Catholic Primary School	29,032	-
Oaklands Catholic School and Sixth Form College	26,716	-
	55,748	-

EDITH STEIN CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

9 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Direct costs				
Educational operations	3,550	6,138,073	6,141,623	5,729,235
Support costs				
Educational operations	-	3,300,891	3,300,891	3,625,980
	<u>3,550</u>	<u>9,438,964</u>	<u>9,442,514</u>	<u>9,355,215</u>
			2021 £	2020 £
Analysis of support costs				
Support staff costs			1,685,455	1,429,534
Depreciation			204,171	217,407
Technology costs			147,960	101,653
Premises costs			909,233	1,578,521
Other support costs			337,382	286,290
Governance costs			16,690	12,575
			<u>3,300,891</u>	<u>3,625,980</u>

10 Staff

Staff costs

Staff costs during the year were:

	2021 £	2020 £
Wages and salaries	5,245,169	4,793,722
Social security costs	505,935	464,623
Pension costs	1,458,458	1,326,523
Staff costs - employees	<u>7,209,562</u>	<u>6,584,868</u>
Agency staff costs	82,069	12,614
Total staff expenditure	<u>7,291,631</u>	<u>6,597,482</u>

EDITH STEIN CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

10 Staff

(Continued)

Staff numbers

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

	2021 Number	2020 Number
Teachers	86	85
Administration and support	109	92
Management	8	7
	<u>203</u>	<u>184</u>

Higher paid staff

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

	2021 Number	2020 Number
In the band £60,001 - £70,000	3	1
In the band £70,001 - £80,000	2	2
In the band £100,001 - £110,000	1	1
	<u>6</u>	<u>4</u>

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £901,227 (2020: £942,289).

11 Trustees' remuneration and expenses

Trustees received no remuneration during the year, and no expenses were reimbursed to Trustees.

12 Trustees' and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £2m on any one claim and the cost for the year ended 31 August 2021 was £126 (2020: £272). The cost of this insurance is included in the total insurance cost.

EDITH STEIN CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

13 Tangible fixed assets

	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£
Cost			
At 1 September 2020	423,386	538,389	961,775
Assets acquired on conversion	11,888	-	11,888
Additions	42,627	1,859	44,486
At 31 August 2021	477,901	540,248	1,018,149
Depreciation			
At 1 September 2020	284,669	341,614	626,283
Assets acquired on conversion	5,800	-	5,800
Charge for the year	90,236	113,936	204,172
At 31 August 2021	380,705	455,550	836,255
Net book value			
At 31 August 2021	97,196	84,698	181,894
At 31 August 2020	138,717	196,775	335,492

14 Stocks

	2021 £	2020 £
Catering stock	5,822	7,763
Educational supplies	4,569	4,157
	10,391	11,920

15 Debtors

	2021 £	2020 £
Trade debtors	26,554	5,549
VAT recoverable	77,739	40,085
Other debtors	3,643	51
Prepayments and accrued income	388,043	400,197
	495,979	445,882

EDITH STEIN CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

16 Creditors: amounts falling due within one year

	2021 £	2020 £
Government loans	25,854	25,854
Trade creditors	311,938	185,671
Other taxation and social security	135,694	118,740
Other creditors	216,871	190,369
Accruals and deferred income	187,321	154,086
	<u>877,678</u>	<u>674,720</u>

17 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Government loans	133,424	157,201
	<u>133,424</u>	<u>157,201</u>

Analysis of loans	2021 £	2020 £
Wholly repayable within five years	159,278	183,055
Less: included in current liabilities	(25,854)	(25,854)
	<u>133,424</u>	<u>157,201</u>

Loan maturity

Debt due in one year or less	25,854	25,854
Due in more than one year but not more than two years	25,854	25,854
Due in more than two years but not more than five years	77,562	77,562
Due in more than five years	30,008	53,785
	<u>159,278</u>	<u>183,055</u>

A loan of £206,832 from Salix Finance Ltd was provided in April 2019 on a 0% interest rate to be paid back in 8 years via a reduction in the GAG payments issued by the ESFA of £12,927 every 6 months starting on 1st September 2019.

18 Deferred income

	2021 £	2020 £
Deferred income is included within:		
Creditors due within one year	132,584	65,217
	<u>132,584</u>	<u>65,217</u>

EDITH STEIN CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

18	Deferred income	(Continued)	
	Deferred income at 1 September 2020	65,217	172,041
	Released from previous years	(65,217)	(172,041)
	Resources deferred in the year	132,584	65,217
	Deferred income at 31 August 2021	132,584	65,217

At the balance sheet date the academy trust was holding funds of £91,111 (2020: £65,217) received in advance for trips relating to the forthcoming academic year.

A further £41,473 (2020: £nil) of grant income was held at the balance sheet date relating to the forthcoming academic year.

19	Funds	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
	Restricted general funds					
	General Annual Grant (GAG)	-	7,045,840	(7,045,840)	-	-
	Pupil premium	-	254,736	(254,736)	-	-
	Teachers pension grants	-	257,494	(257,494)	-	-
	Teachers pay grants	-	91,125	(91,125)	-	-
	Other DfE / ESFA grants	-	196,136	(196,136)	-	-
	Other government grants	-	359,909	(359,909)	-	-
	Other restricted funds	219,019	465,807	(303,353)	(68,263)	313,210
	Pension reserve	(2,903,000)	(603,000)	(378,000)	222,000	(3,662,000)
		<u>(2,683,981)</u>	<u>8,068,047</u>	<u>(8,886,593)</u>	<u>153,737</u>	<u>(3,348,790)</u>
	Restricted fixed asset funds					
	Inherited on conversion	152,437	6,088	(204,172)	68,263	22,616
	DfE group capital grants	-	356,286	(348,199)	-	8,087
		<u>152,437</u>	<u>362,374</u>	<u>(552,371)</u>	<u>68,263</u>	<u>30,703</u>
	Total restricted funds	<u>(2,531,544)</u>	<u>8,430,421</u>	<u>(9,438,964)</u>	<u>222,000</u>	<u>(3,318,087)</u>
	Unrestricted funds					
	General funds	165,881	114,293	(3,550)	-	276,624
	Total funds	<u>(2,365,663)</u>	<u>8,544,714</u>	<u>(9,442,514)</u>	<u>222,000</u>	<u>(3,041,463)</u>

EDITH STEIN CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

19 Funds

(Continued)

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

General annual grant

This includes all funding received from the ESFA to carry out the objectives of the academy. It includes the following funding streams:

- school budget share;
- minimum funding guarantee;
- insurance;
- rates;
- pre-16 high need funding;
- post-16 high needs funding.

Pupil premium grants

This is funding received from the ESFA for raising the attainment of disadvantaged pupils of all abilities to reach their potential and supporting children and young people with parents in the regular armed forces

Teachers pension grants

This is funding received from the ESFA to cover the cost of the increase in the employer contribution rate of the Teachers' Pension Scheme (TPS) from 16.4% to 23.6%, from September 2019.

Teachers pay grants

This is funding received from the ESFA to provide support to schools with respect to the 2018 and 2019 teachers' pay awards.

Other DfE/ESFA grants

This is funding received from the ESFA for specific purposes.

Other government grants

This is funding received from the local authority for specific purposes, for example Special Educational Needs funding.

Other restricted funds

This includes all other educational income/expenditure.

Pension reserve

This represents the negative reserve in respect of the liability on the LGPS pension scheme which was transferred to the trust on conversion of the academies.

Fixed asset fund

The fund includes the value of the tangible fixed assets of the trust on conversion of academies, and amounts transferred from GAG or other restricted funds specifically for expenditure on tangible fixed assets, and the annual charges for depreciation of these assets.

DfE group capital grants

This is money received from the ESFA specifically for expenditure on tangible fixed assets.

EDITH STEIN CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

19 Funds

(Continued)

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	-	6,529,270	(6,529,270)	-	-
Pupil premium	-	214,646	(214,646)	-	-
Teachers pension grants	-	266,045	(266,045)	-	-
Teachers pay grants	-	94,151	(94,151)	-	-
Other DfE / ESFA grants	-	49,159	(49,159)	-	-
Other government grants	-	101,828	(101,828)	-	-
Other restricted funds	262,062	526,116	(417,952)	(151,207)	219,019
Pension reserve	(2,179,000)	-	(312,000)	(412,000)	(2,903,000)
	<u>(1,916,938)</u>	<u>7,781,215</u>	<u>(7,985,051)</u>	<u>(563,207)</u>	<u>(2,683,981)</u>
Restricted fixed asset funds					
Transfer on conversion	218,635	-	(217,405)	151,207	152,437
DfE group capital grants	221,925	926,064	(1,147,989)	-	-
	<u>440,560</u>	<u>926,064</u>	<u>(1,365,394)</u>	<u>151,207</u>	<u>152,437</u>
Total restricted funds	<u>(1,476,378)</u>	<u>8,707,279</u>	<u>(9,350,445)</u>	<u>(412,000)</u>	<u>(2,531,544)</u>
Unrestricted funds					
General funds	<u>153,356</u>	<u>17,295</u>	<u>(4,770)</u>	<u>-</u>	<u>165,881</u>
Total funds	<u>(1,323,022)</u>	<u>8,724,574</u>	<u>(9,355,215)</u>	<u>(412,000)</u>	<u>(2,365,663)</u>

Total funds analysis by academy

	2021 £	2020 £
Fund balances at 31 August 2021 were allocated as follows:		
Corpus Christi Catholic Primary School	98,102	-
Oaklands Catholic School and Sixth Form College	454,225	384,900
Central services	37,506	-
Total before fixed assets fund and pension reserve	<u>589,833</u>	<u>384,900</u>
Restricted fixed asset fund	30,703	152,437
Pension reserve	<u>(3,662,000)</u>	<u>(2,903,000)</u>
Total funds	<u>(3,041,464)</u>	<u>(2,365,663)</u>

EDITH STEIN CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

19 Funds (Continued)

Total cost analysis by academy

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

	Teaching and educational support staff £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2021 £	Total 2020 £
Corpus Christi Catholic Primary School	298,344	224,818	7,256	68,252	598,670	-
Oaklands Catholic School and Sixth Form College	5,307,832	1,133,638	106,051	1,629,828	8,177,349	8,823,120
	<u>5,606,176</u>	<u>1,358,456</u>	<u>113,307</u>	<u>1,698,080</u>	<u>8,776,019</u>	<u>8,823,120</u>

20 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	-	-	181,894	181,894
Current assets	276,624	1,165,034	8,087	1,449,745
Creditors falling due within one year	-	(851,824)	(25,854)	(877,678)
Creditors falling due after one year	-	-	(133,424)	(133,424)
Defined benefit pension liability	-	(3,662,000)	-	(3,662,000)
Total net assets	<u>276,624</u>	<u>(3,348,790)</u>	<u>30,703</u>	<u>(3,041,463)</u>

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	-	-	335,492	335,492
Current assets	165,881	867,885	-	1,033,766
Creditors falling due within one year	-	(648,866)	(25,854)	(674,720)
Creditors falling due after one year	-	-	(157,201)	(157,201)
Defined benefit pension liability	-	(2,903,000)	-	(2,903,000)
Total net assets	<u>165,881</u>	<u>(2,683,981)</u>	<u>152,437</u>	<u>(2,365,663)</u>

EDITH STEIN CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

21 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 Hampshire County 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 2019.

Contributions amounting to £144k were payable to the schemes at 31 August 2021 (2020: £120k) 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. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 5 March 2019.

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% 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 £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

The TPS valuation for 2016 determined an employer rate of 23.6% payable from September 2019.

The employer's pension costs paid to the TPS in the period amounted to £832k (2020: £793k).

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.

EDITH STEIN CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

21 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 contributions are as noted below.

As described in note 27 the LGPS obligation relates to the employees of the academy trust, being the employees transferred as part of the conversion from the maintained school and new employees who joined the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

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

Total contributions made	2021 £	2020 £
Employer's contributions	257,000	225,000
Employees' contributions	81,000	68,000
Total contributions	338,000	293,000

Principal actuarial assumptions	2021 %	2020 %
Rate of increase in salaries	3.6	3.3
Rate of increase for pensions in payment/inflation	2.6	2.3
Discount rate for scheme liabilities	1.7	1.7
Inflation assumption (CPI)	2.6	2.3

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

	2021 Years	2020 Years
Retiring today		
- Males	23.1	23.0
- Females	25.5	25.5
Retiring in 20 years		
- Males	24.8	24.7
- Females	27.3	27.2

EDITH STEIN CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

21 Pension and similar obligations

(Continued)

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

	2021	2020
	£'000	£'000
Discount rate + 0.1%	217	156
Discount rate - 0.1%	227	163
Mortality assumption + 1 year	340	237
Mortality assumption - 1 year	349	244
CPI rate + 0.1%	208	149
CPI rate - 0.1%	198	149

The academy trust's share of the assets in the scheme

	2021	2020
	Fair value	Fair value
	£	£
Equities	3,298,000	2,197,000
Bonds	1,040,000	752,000
Cash	40,000	62,000
Property	350,000	233,000
Other assets	1,059,000	632,000
Total market value of assets	5,787,000	3,876,000

The actual return on scheme assets was £817,000 (2020: £216,000).

Amount recognised in the statement of financial activities

	2021	2020
	£	£
Current service cost	584,000	499,000
Interest income	(74,000)	(63,000)
Interest cost	125,000	101,000
Total operating charge	635,000	537,000

EDITH STEIN CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

21 Pension and similar obligations	(Continued)	
Changes in the present value of defined benefit obligations	2021	
	£	
At 1 September 2020	6,779,000	
Obligations acquired on conversion	1,381,000	
Current service cost	584,000	
Interest cost	125,000	
Employee contributions	81,000	
Actuarial loss	521,000	
Benefits paid	(22,000)	
At 31 August 2021	9,449,000	
Changes in the fair value of the academy trust's share of scheme assets	2021	
	£	
At 1 September 2020	3,876,000	
Assets acquired on conversion	778,000	
Interest income	74,000	
Actuarial gain	743,000	
Employer contributions	257,000	
Employee contributions	81,000	
Benefits paid	(22,000)	
At 31 August 2021	5,787,000	
22 Reconciliation of net expenditure to net cash flow from operating activities	2021	2020
	£	£
Net expenditure for the reporting period (as per the statement of financial activities)	(897,800)	(630,641)
Adjusted for:		
Net deficit on conversion to academy	495,265	-
Capital grants from DfE and other capital income	(356,286)	(926,064)
Investment income receivable	(107)	(3,581)
Defined benefit pension costs less contributions payable	327,000	274,000
Defined benefit pension scheme finance cost	51,000	38,000
Depreciation of tangible fixed assets	204,172	217,405
Decrease/(increase) in stocks	1,529	(3,652)
(Increase)/decrease in debtors	(182,171)	92,888
Increase/(decrease) in creditors	202,958	(663,805)
Net cash used in operating activities	(154,440)	(1,605,450)

EDITH STEIN CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

23 Analysis of changes in net funds

	1 September 2020 £	Cash flows £	31 August 2021 £
Cash	575,964	367,411	943,375
Loans falling due within one year	(25,854)	-	(25,854)
Loans falling due after more than one year	(157,201)	23,777	(133,424)
	<u>392,909</u>	<u>391,188</u>	<u>784,097</u>

24 Long-term commitments, including operating leases

At 31 August 2021 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2021 £	2020 £
Amounts due within one year	13,499	13,499
Amounts due in two and five years	19,618	31,389
	<u>33,117</u>	<u>44,888</u>

25 Related party transactions

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

During the year, close family members of two of the Trustees and two key management personnel were employed by the Academy. The total remuneration was £96,101 (2020: £92,869) and pension contributions were £21,674 (2020: £19,881).

Purchases from the Diocese of Portsmouth of £10,271 (2020: £10,275) were made during the year in relation to IT support.

26 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.

EDITH STEIN CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

27 Conversion to an academy

On 1st April 2021 Corpus Christi Catholic Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Edith Stein Catholic Academy Trust from the Hampshire County Council Local Authority for £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair values and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the statement of financial activities as donations – transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the statement of financial activities.

Academy	Location	Date of conversion
Corpus Christi Catholic Primary School	Portsmouth	1 April 2021

	Unrestricted funds	Restricted funds:		Total
	£	General	Fixed asset	2021
Net assets transferred:	£	£	£	£
Other tangible fixed assets	-	-	6,088	6,088
Cash	101,647	-	-	101,647
Pension scheme deficit	-	(603,000)	-	(603,000)
Prepayments	5,786	-	-	5,786
Creditors	(5,786)	-	-	(5,786)
	<u>101,647</u>	<u>(603,000)</u>	<u>6,088</u>	<u>(495,265)</u>
Funds surplus/(deficit) transferred:	£	£	£	£
Fixed assets funds	-	-	6,088	6,088
LA budget funds	101,647	-	-	101,647
LGPS pension funds	-	(603,000)	-	(603,000)
	<u>101,647</u>	<u>(603,000)</u>	<u>6,088</u>	<u>(495,265)</u>

EDITH STEIN CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

28 Prior period adjustment

		1 September 2019 £	31 August 2020 £
Reconciliation of funds	Notes		
Funds as previously reported		14,587,142	13,242,834
Adjustments arising:			
Correction of land and building balances		(15,910,164)	(15,608,497)
Funds as restated		<u>(1,323,022)</u>	<u>(2,365,663)</u>
Reconciliation of net income/(expenditure) for the previous financial period	Notes		2020 £
Net expenditure as previously reported			(932,308)
Adjustments arising:			
Correction of land and building balances			301,667
Net expenditure as restated			<u>(630,641)</u>

Notes to restatement

Correction of land and building balances

On formation of the Edith Stein Catholic Academy Trust in 2011, the leasehold land and buildings occupied by Oaklands Catholic School and Sixth Form College and owned by the Catholic Diocese of Portsmouth were included in the accounts at fair value as, in the opinion of the directors, the Trust's rights over the premises met the definition of an asset as defined by FRS102, being a resource controlled by the entity as a result of past events and from which future economic benefits are expected to flow. Since this date the land and buildings have been held on the balance sheet and were being depreciated over their useful lives.

Following Corpus Christi Catholic Primary School joining the Trust on 1 April 2021, the directors have been in discussions with the Diocese over whether the rights over the land and buildings occupied by this school met the definition of an asset. In reviewing the agreement with the Diocese in relation to these premises and in particular considering the 2 year notice period that could be given for the school to vacate the premises and the requirement for the Diocese to approve works to the school, the trustees have concluded they do not have control over this asset and have therefore not recognised these assets on the balance sheet.

Since the Corpus Christi land and buildings are occupied under the same terms as the Oaklands land and buildings, the trustees have reconsidered their assessment of the treatment of the Oaklands land and buildings and have concluded that on balance the rights over these premises also do not meet the definition of an asset. As this is a change in accounting policy the removal of the Oaklands land and buildings from the balance sheet has been treated as a prior year adjustment. The depreciation charged in the year to 31 August 2020 has been reversed and the statement of financial activities adjusted accordingly.

Edith Stein Catholic Academy Trust

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