

Report of the Trustees and
Financial Statements For The Year Ended 31 August 2019
for
Holy Family Academy Trust



Allotts Business Services Ltd, Statutory Auditor
Chartered Accountants
Sidings Court
Lakeside
Doncaster
South Yorkshire
DN4 5NU

Holy Family Academy Trust

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For The Year Ended 31 August 2019

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Holy Family Academy Trust

Reference and Administrative Details
For The Year Ended 31 August 2019

MEMBERS

R Heskett
J P McCay
J Rawsthorne

TRUSTEES

J P McCay (chair)
B Nesbit (Executive Head Teacher) (Accounting Officer)
A Dews (Vice chair)
L Plant
A Ward
S M Cullen
S Benson (resigned 19.9.2018)
J McLaughlin (appointed 14.3.2019) - (School Manager)

SENIOR MANAGEMENT TEAM

B Nesbit (Executive Head Teacher)
J McLaughlin (School Manager)
J Ashcroft (Assistant Head Teacher)
H O'Connor (Assistant Head Teacher)
S Trout (School Business Manager)

REGISTERED OFFICE

Kirton Lane
Stainforth
Doncaster
DN7 5BL

REGISTERED COMPANY NUMBER

08954620 (England and Wales)

AUDITORS

Allotts Business Services Ltd, Statutory Auditor
Chartered Accountants
Sidings Court
Lakeside
Doncaster
South Yorkshire
DN4 5NU

BANKERS

HSBC
1 High Street
Doncaster
DN1 1EE

Holy Family Academy Trust
Report of the Trustees
For The Year Ended 31 August 2019

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2019. The trustees have adopted the provisions of 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) and the Academies Accounts Direction issued by the Education and Skills Funding Agency.

The Academy operates a Catholic primary school for pupils aged 3 to 11 serving its local area. It had a roll of 221 in the school census in spring 2018.

STRUCTURE, GOVERNANCE AND MANAGEMENT
Constitution

The Academy Trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The company was incorporated on 24 March 2014. The company is registered in England and Wales with registration number 08954620.

The governors act as the trustees for the charitable activities of Holy Family Academy Trust and are also the directors of the charitable company for the purposes of company law.

Details of the trustees who served throughout the period (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 company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

Trustees' indemnities

The Academy Trust through its Articles has indemnified its Trustees to the fullest extent permissible by law. During the period the Academy also purchased and maintained liability insurance for its Trustees.

Method of recruitment and appointment or election of Trustees

Trustees (Known as Governors) are appointed in accordance with the Articles of Association.

- Parent governor vacancies are filled through advertisement and election.
- Staff governor vacancies are appointed by staff vote.
- Foundation governors are addressed through personal recommendation and consideration by the Diocese of Hallam.

Policies and procedures adopted for the induction and training of Trustees

Newly appointed Governors are formally written to by the Diocese of Hallam (with the exception of parent governors who are written to by the Chair). They are welcomed by the Chair at their first governor meeting. Each governor is handed a Governor Handbook which contains key essential reading for the governor to undertake.

They are encouraged to participate in training provided by the Local Authority and are kept up to date with regular copies of policies, minutes, financial information and the School Improvement Plan.

Organisational structure

The Governing Body are responsible for the strategic direction of the school. One member acts as Chair of Governors and another as Vice Chair of Governors.

The Governing Body have delegated the approval of budget and financial regulations to the Finance Sub Committee. Other governor sub committee's deal with:

- Management and resources
- Pay
- Curriculum
- Admissions

The Executive Head Teacher is the designated Accounting Officer of the Academy and has overall responsibility for the day to day financial management of the school. The Executive Head Teacher manages the Academy on a daily basis supported by a Senior Leadership Team. The SLT meet weekly to discuss emerging matters and to help to develop strategies for future development to put to the Governing Body as required for approval.

Holy Family Academy Trust
Report of the Trustees
For The Year Ended 31 August 2019

STRUCTURE, GOVERNANCE AND MANAGEMENT

Arrangements for setting pay and remuneration of key management personnel

The Academy sets the pay and remuneration of key management personnel following staff performance reviews. The Executive Head Teacher makes recommendations to the Governing Body for pay rates based on staff performance. The Executive Head Teacher's performance is assessed by an external consultant who reports their recommendation to the Governing Body. All pay changes are approved by the Governing Body before implementation.

Risk management

The Board and Governors have an established system for assessing and managing risks.

Connected organisations, including related party relationships

The Executive Head Teacher is a National Leader of Education and therefore works with other schools to provide coaching and leadership.

The school maintains a register of pecuniary interests of the Governing Body which is regularly reviewed and updated.

OBJECTIVES AND ACTIVITIES

Objects and aims

The Academy Trust's objects, as set out in its governing document, are:

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

To promote for the benefit of individuals living in the area served by the Academy and the surrounding area who have need by reason of their age, infirmity or disability, financial hardship or social and economic circumstances or for the public at large the provision of facilities for recreation or other leisure time activities in the interest of social welfare and with the objective of improving the condition of life of the said individuals.

The principal object of Holy Family Academy Trust is to provide a broad and balanced curriculum to all pupils in accordance with the Funding Agreement between the Academy Trust and the Department for Education.

The main objectives of the Academy Trust are to:

- Provide high quality teaching and learning.
- Work in partnership with the Diocese of Hallam together with 'Our Lady of Doncaster Academy Trust'.
- Provide an inclusive, high quality education for all pupils.
- Provide a safe and secure environment for all pupils.

Objectives, strategies and activities

Key priorities this period are contained in our School Improvement plan and include:

- Teaching and achievement in Religious Education is outstanding.
- Teaching throughout the school is at least good to outstanding.
- Assessment is embedded both formative and summative.
- All groups of pupils across the school make outstanding progress based on their starting points.
- Attainment for all groups across the school is high compared to national figures.
- Safeguarding policy and procedures to be in place and bespoke to the McCauley pyramid of schools.
- The new curriculum to be successfully embedded and leading to highly memorable learning experiences, resulting in outstanding achievement in all areas of the curriculum.
- The school's curriculum priorities to be based on depth of learning and quality rather than just coverage.
- To continue to narrow the gap between disadvantaged and others.
- The new Code of Practice for SEND to be embedded within the school, leading to high quality inclusive practice with SEND pupils achieving in line with expectations.

Public benefit

The Academy Trust provides educational services to all children in the local area. The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance provided by the Charity Commission.

Holy Family Academy Trust

Report of the Trustees
For The Year Ended 31 August 2019

STRATEGIC REPORT

Achievement and performance

Key non-financial performance indicators

	SCHOOL	DONCASTER	INDICATION OF EARLY NATIONAL
Phonics Yr 1	91%	81%	82%
Phonics Yr2	40%	56%	57%

KEY STAGE 1 RESULTS

		SCHOOL	DONCASTER	INDICATION OF EARLY NATIONAL
READING	EXPECTED GREATER DEPTH	71% 42%	73%	75%
WRITING	EXPECTED GREATER DEPTH	67% 4%	68%	69%
MATHS	EXPECTED GREATER DEPTH	79% 29%	74%	76%
RWM COMBINED	EXPECTED GREATER DEPTH	67% 4%	65%	65%

KEY STAGE 2 RESULTS

		SCHOOL	DONCASTER	INDICATION OF EARLY NATIONAL
READING	EXPECTED GREATER DEPTH	64% 20%	67%	73%
WRITING	EXPECTED GREATER DEPTH	76% 32%	78%	78%
MATHS	EXPECTED GREATER DEPTH	83% 29%	77%	79%
SPAG	EXPECTED GREATER DEPTH	76% 32%	74%	78%
RWM	EXPECTED GREATER DEPTH	67% 8%	60%	65%

Financial review

The Academy's main sources of funding are grants received from the Education and Skills Funding Agency and Doncaster Metropolitan Borough Council.

During the year the Academy has continued to update and refresh its classroom and teaching spaces.

The Senior Leadership Team have been working closely with St Francis Xavier Catholic Primary School. (Funding from Doncaster Metropolitan Borough Council has been provided to allow the Academy to support this local authority maintained school). This funding is for SFX not HF.

Total expenditure for the period amounted to £1,165,000 which included £20,000 of depreciation on fixed assets. The surplus for the period, excluding fixed assets and pension funds was £55,000.

At 31 August 2019 the net book value of fixed assets was £41,000 and movements in tangible fixed assets are shown in note 12 to the financial statements. The assets were used exclusively for providing education and the associated support services to the students of the Academy.

The Academy held a total fund deficit as at 31 August 2019 of £208,000 comprising of a surplus of £106,000 on unrestricted general funds (free reserves), a surplus on restricted general funds of £239,000 and £41,000 on the fixed asset funds. The Local Government Pension Scheme (LGPS) was in deficit by £594,000 at the year end.

Holy Family Academy Trust
Report of the Trustees
For The Year Ended 31 August 2019

STRATEGIC REPORT

Financial position

In the opinion of the trustees the Academy's financial position is satisfactory.

Investment policy and objectives

The Academy has a policy not to hold investments, only cash balances.

Reserves policy

At 31 August 2019 the balance of the academy's restricted general fund (excluding pension reserve) plus the balance on unrestricted funds was a surplus of £345,000 (2018: £290,000).

The governors review the reserves policy annually. The level of reserve is carried forward to meet the long-term needs and planning of the Academy as well as an element of unforeseen contingencies. The governors are mindful of the need to ensure that existing students are not disadvantaged through the retention of excessive reserves.

Going concern

After making appropriate enquiries, the Governing Body has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. Whilst there is a restricted pension fund reserve with a deficit of £594,000 this is being funded over a twenty-year period and so does not give rise to an immediate liability. The cash flow effect of this funding requirement together with possible future increases in pension contributions, if required, are expected to be met from budgeted annual income. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the statement of Accounting Policies.

Principal risks and uncertainties

The Academy has implemented a number of systems in response to its assessment of the principle risks in its operations. This includes systems designed to maintain and improve educational standards, safeguard pupils and ensure health and safety requirements are met. The Academy also operates a system of internal control for its financial operations.

Financial and risk management objectives and policies

The Academy has a pension deficit with the Local Government Pension Scheme which is reflected in the accounts. This deficit was originally inherited as part of the Academy conversion process from the Local Authority.

Fundraising

The Academy Trust does not use external fundraisers, it operates events such as fairs and coffee mornings, as a result of which money has been raised for the Trust's benefit. Our approach is driven by the need to be involved with parents and the communities the Trust serves. All fundraising undertaken in the year was monitored by the Trustees.

Future plans

The Academy will continue to provide a broad and balanced curriculum to its pupils building on the successes it had last year with its Ofsted inspection.

It will also continue to work with and provide support to St Francis Xavier Catholic Primary School.

AUDITORS

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.

Allotts Business Services Ltd, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006, unless the charitable company receives notice under section 488(1) of the Companies Act 2006.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 16th December 2019 and signed on the board's behalf by:


.....
J P McCay - Trustee

Holy Family Academy Trust
Governance Statement
For The Year Ended 31 August 2019

Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Holy Family 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.

The board of trustees has delegated the day-to-day responsibility to Mrs Bernadette Nesbit, Executive Head Teacher, as Accounting Officer, for ensuring financial controls confirm 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 Holy Family Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Report of the Trustees and in the Statement of Trustees Responsibilities. We carry out regular checks within the year which is carried out by Julie McLaughlin and Sam Trout on a regular basis. We also ask Chair of Governors to come into school throughout the year to also carry out a spot check and review of the finances, along with the attendance at the board meeting and separate sub committees. The board considers that this is sufficient due to the size and nature of the academy for it to maintain effective oversight over funds. The board of trustees has formally met 3 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
B Nesbit	3	3
A Dews	3	3
J P McCay	3	3
L Plant	-	3
S M Cullen	3	3
A Ward	2	3
J McLaughlin	2	2

Governance reviews

The Governing Body operates an ongoing process of self-evaluation and review.

The Finance and General Purposes Committee is a sub-committee of the main board of trustees. Its purpose is to advise the governors and analyse financial data. Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
Mrs Bernadette Nesbit	2	2
Ms Annette Dews	2	2
Mr Joseph Paul McCay	2	2
Mrs Sue Marie Cullen	2	2

Review of Value for Money

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

The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year by:

- Management accounts are produced and discussed with senior managers and the Governing Body to ensure value for money.
- Spending proposals are costed and presented to senior leaders and governors and a business case is produced to support major investments. All proposals are challenged appropriately at all levels.
- Regular Budget to Actual comparisons are produced and explained to senior staff and governors by the School Business Manager.
- All contracts are reviewed when renewed to ensure the Academy's interests are secured and are fit for purpose and provide best value. Consideration is given to both local and national contractors in determining best value before any commitment is made.
- The school ensures that multiple tenders are sourced where appropriate to ensure Value for Money.
- The school ensures that multiple tenders are sourced where appropriate to ensure Value for Money.
- Cash flow forecasts are included within regular reports to identify possible opportunities to invest surplus cash balances and maximise bank interest.
- Delegation of authority and segregation of duties are defined within policies and governor meetings.

Holy Family Academy Trust
Governance Statement
For The Year Ended 31 August 2019

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of charitable company 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 Holy Family Academy Trust for the period 1 September 2018 to 31 August 2019 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 charitable company 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 charitable company's significant risks that has been in place for the period 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- Identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the trustees have appointed Mr J P McCay, a trustee, to carry out a programme of internal checks.

This role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. In particular the checks carried out in the current period included:

- testing of income systems
- testing of expenditure systems
- testing of control accounts and bank reconciliations

On a termly basis Mr J P McCay reports to the board of trustees, through the finance and general purposes committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

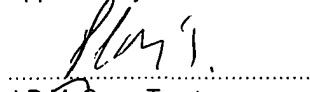
Review of Effectiveness

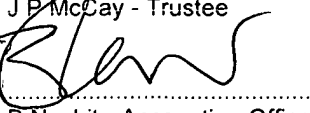
As Accounting Officer, Mrs Bernadette Nesbit, Executive Head Teacher/Accounting Officer has responsibility for reviewing the effectiveness of the system of internal control. During year in question the review has been informed by:

- the work of the Finance Sub-Committee;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of trustees on 16th December 2019 and signed on its behalf by:


.....
J P McCay - Trustee


.....
B Nesbit - Accounting Officer

Holy Family Academy Trust

Statement on Regularity, Propriety and Compliance
For The Year Ended 31 August 2019

As accounting officer of Holy Family Academy Trust I have considered my responsibility to notify the charitable company board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the charitable company, under the funding agreement in place between the charitable company and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

I confirm that I and the charitable company board of trustees are able to identify any material irregular or improper use of all funds by the charitable company, or material non-compliance with the terms and conditions of funding under the charitable company's funding agreement and the Academies Financial Handbook 2018.

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

1) Payments on behalf of a third party

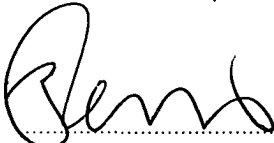
During the year payments to the value of £77,140 were made by the Trust on behalf of its local authority "sister" school to cover a temporary funding gap. The amounts paid over were subsequently recharged to the other school. At the year end £26,392 was owed to the Trust in respect of this. It was not documented that these payments were authorised by the board in accordance with internal financial procedures and no advanced approval was obtained from the ESFA. The payments do not appear to be in accordance with the Trust's charitable objects or funding agreement.

2) Financial planning and monitoring

Management accounts were not provided to the trustees during the year. In addition, the trustees did not formally approve the annual budget. The Trust has not complied with the requirements of the Academies Financial Handbook in respect of financial monitoring and reporting.

3) Internal scrutiny

The internal scrutiny work carried out by the Chair of Trustees was not documented and therefore there is no record of a planned programme of work, details of the work carried out, the results or recommendations to the board of trustees. The Trust has not complied with the requirements of the Academies Financial Handbook in respect delivering assurance.


B Nesbit - Accounting Officer

Date: 16th December 2019

Holy Family Academy Trust

Statement of Trustees Responsibilities
For The Year Ended 31 August 2019

The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with the Annual Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards [FRS 102] have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 16th December 2019 and signed on its behalf by:



.....
J P McCay - Trustee

Report of the Independent Auditors to the Members of
Holy Family Academy Trust

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

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

Report of the Independent Auditors to the Members of
Holy Family Academy Trust

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Our responsibilities for the audit of the financial statements

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

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

Use of our report

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



Mark Garrison BCom FCA DChA (Senior Statutory Auditor)
for and on behalf of Allotts Business Services Ltd, Statutory Auditor
Chartered Accountants
Sidings Court
Lakeside
Doncaster
South Yorkshire
DN4 5NU

Date: 16 December 2019

**Independent Reporting Accountant's Assurance Report on Regularity to
Holy Family Academy Trust and the Education and Skills Funding Agency**

In accordance with the terms of our engagement and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Holy Family Academy Trust during the period 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Holy Family Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Holy Family Academy Trust's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 issued by the 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 charitable company's income and expenditure.

The work undertaken to draw to our conclusion includes:

- Enquiry of officers of the academy
- Review and testing of income and expenditure for compliance with the funding and other agreements, the Academies Financial Handbook and the academy's system of controls
- Examination of relevant documents
- Review of the activities carried out by the academy
- Review of the delegated authorities set out in the Academies Financial Handbook
- Review of governance arrangements in accordance with the Academies Financial Handbook.

Conclusion

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

1) Payments on behalf of a third party

During the year payments to the value of £77,140 were made by the Trust on behalf of its local authority "sister" school to cover a temporary funding gap. The amounts paid over were subsequently recharged to the other school. At the year end £26,392 was owed to the Trust in respect of this. No evidence has been seen that these payments were authorised by the board in accordance with internal financial procedures and no advanced approval was obtained from the ESFA. The payments do not appear to be in accordance with the Trust's charitable objects or funding agreement.

2) Financial planning and monitoring

No evidence was provided to us to confirm that any management accounts were provided to the trustees during the year. In addition, no evidence was seen to confirm that the trustees approved the annual budget. The Trust has not complied with the requirements of the Academies Financial Handbook in respect of financial monitoring and reporting.

**Independent Reporting Accountant's Assurance Report on Regularity to
Holy Family Academy Trust and the Education and Skills Funding Agency**

3) Internal scrutiny

The internal scrutiny work carried out by the Chair of Trustees was not documented and therefore we have not seen evidence of a planned programme of work, details of the work carried out, the results or recommendations to the board of trustees. The Trust has not complied with the requirements of the Academies Financial Handbook in respect delivering assurance.



Reporting Accountant
Allotts Business Services Ltd
Chartered Accountants
Sidings Court
Lakeside
Doncaster
South Yorkshire
DN4 5NU

Date: 16 December 2019

Holy Family Academy Trust

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
For The Year Ended 31 August 2019

					2019	2018
	Notes	Unrestricted fund £'000	Restricted funds £'000	Restricted fixed asset fund £'000	Total funds £'000	Total funds £'000
INCOME AND ENDOWMENTS FROM						
Donations and capital grants	2	-	-	16	16	6
Charitable activities						
Funding for the academy's educational operations	3	-	1,090	-	1,090	1,049
Other trading activities	4	92	-	-	92	112
Total		92	1,090	16	1,198	1,167
 EXPENDITURE ON						
Raising funds	6	81	-	-	81	109
Charitable activities						
Academy's educational operations		-	1,064	20	1,084	1,057
Total	5	81	1,064	20	1,165	1,166
NET INCOME/(EXPENDITURE)		11	26	(4)	33	1
 Transfers between funds	19	-	(29)	29	-	-
		11	(3)	25	33	1
 Other recognised gains/(losses)						
Actuarial gains/losses on defined benefit schemes		-	(171)	-	(171)	59
Net movement in funds		11	(174)	25	(138)	60
 RECONCILIATION OF FUNDS						
Total funds brought forward		95	(181)	16	(70)	(130)
 TOTAL FUNDS CARRIED FORWARD		106	(355)	41	(208)	(70)

The notes form part of these financial statements

Balance Sheet
At 31 August 2019

	Notes	2019 £'000	2018 £'000
FIXED ASSETS			
Tangible assets	12	<u>41</u>	<u>16</u>
CURRENT ASSETS			
Stocks	13	2	2
Debtors	14	87	99
Cash at bank		<u>322</u>	<u>283</u>
		411	384
CREDITORS			
Amounts falling due within one year	15	(66)	(94)
NET CURRENT ASSETS		<u>345</u>	<u>290</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		386	306
PENSION LIABILITY	20	(594)	(376)
NET LIABILITIES		<u>(208)</u>	<u>(70)</u>
FUNDS	19		
Unrestricted funds:			
General fund		<u>106</u>	<u>95</u>
Restricted funds:			
Restricted General Funds		239	195
Restricted Fixed Asset Funds		41	16
Pension Fund		<u>(594)</u>	<u>(376)</u>
		<u>(314)</u>	<u>(165)</u>
TOTAL FUNDS		<u>(208)</u>	<u>(70)</u>

The financial statements were approved by the Board of Trustees on 16th December 2019 and were signed on its behalf by:


B Nesbit -Trustee

Holy Family Academy Trust

Cash Flow Statement
For The Year Ended 31 August 2019

	Notes	2019 £'000	2018 £'000
Cash flows from operating activities:			
Cash generated from operations	1	<u>68</u>	<u>54</u>
Net cash provided by (used in) operating activities		<u>68</u>	<u>54</u>
 Cash flows from investing activities:			
Purchase of tangible fixed assets		(45)	(19)
Capital grants from DfE/ESFA		<u>16</u>	<u>6</u>
Net cash provided by (used in) investing activities		<u>(29)</u>	<u>(13)</u>
 Change in cash and cash equivalents in the reporting period		39	41
 Cash and cash equivalents at the beginning of the reporting period		<u>283</u>	<u>242</u>
 Cash and cash equivalents at the end of the reporting period		<u><u>322</u></u>	<u><u>283</u></u>

The notes form part of these financial statements

Holy Family Academy Trust

Notes to the Cash Flow Statement
For The Year Ended 31 August 2019

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2019 £'000	2018 £'000
Net income for the reporting period (as per the statement of financial activities)	33	1
Adjustments for:		
Depreciation	20	16
Capital grants from DfE/ESFA	(16)	(6)
Increase/(Decrease) in debtors	12	(39)
(Decrease)/increase in creditors	(28)	32
Difference between pension charge and cash contributions	47	50
Net cash provided by operating activities	<u>68</u>	<u>54</u>

Holy Family Academy Trust
Notes to the Financial Statements
For The Year Ended 31 August 2019

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2018 to 2019 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going concern

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

In making their assessment the trustees have considered the liability on the Local Government Pension Scheme (LGPS) and the guarantee given by the Government that the pension scheme liabilities would be met by the Department for Education in the event of the academy trust closure and as disclosed in note 20.

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. 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.

Income

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

Grants receivable

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

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

Capital grants are recognised 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.

Other income

Other income including the hire of facilities, is recognised in the period it is receivable and to the extent the goods have been provided or on completion of the service.

Holy Family Academy Trust

Notes to the Financial Statements - continued **For The Year Ended 31 August 2019**

1. ACCOUNTING POLICIES - continued

Donated goods, facilities and services

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

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.

Raising funds

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

Charitable activities

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

Tangible fixed assets

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

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. 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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy.

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

Furniture and equipment	25% straight line
Computer 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.

The academy's premises consist of land and buildings owned by the Diocese of Hallam. The Trustees of the Diocese of Hallam are the providers of the academy on the same basis as when the academy was a maintained school. The academy trust occupies the land and buildings under a mere licence. The continuing permission of the Diocese of Hallam is pursuant to, and subject to, the Diocese's charitable objectives, and is part of the Catholic Church's contribution since 1847 to provide State funded education in partnership with the State. The licence delegates aspects of the management of the land and buildings to the academy trust company for the time being, but does not vest any rights over the land in the academy trust company. The Diocese of Hallam has given an undertaking to the Secretary of State that they will not give the academy trust company less than two years notice to terminate the occupation of the land (including buildings). Having considered the factual matrix under which the academy trust company is occupying the land and buildings, the trustees have concluded that the value of land and buildings occupied by the academy trust company will not be recognised on the balance sheet of the company. In addition it is not possible to reliably measure any rental charges or income relating to the use of the land and buildings as such, no notional donation and or rental charges are included in the accounts.

Holy Family Academy Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2019

1. ACCOUNTING POLICIES - continued

Financial instruments

The academy trust only holds basic financial instruments as defined in FRS102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

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

Financial liabilities, trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. 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.

Stocks

Unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

Taxation

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

Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objectives of the academy trust at the discretion of the trustees.

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

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

Pension costs and other post-retirement benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in the Pension and Similar Obligations note, 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 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 operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit 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.

Holy Family Academy Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2019

1. ACCOUNTING POLICIES - continued

Leased assets

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

Liabilities

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

Provisions

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

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

2. DONATIONS AND CAPITAL GRANTS

	Unrestricted funds £'000	Restricted funds £'000	2019 Total funds £'000	2018 Total funds £'000
Grants	-	16	16	6

Grants received, included in the above, are as follows:

	2019 £'000	2018 £'000
Capital Grants	16	6

3. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £'000	Restricted funds £'000	2019 Total funds £'000	2018 Total funds £'000
Grants	-	1,072	1,072	1,022
Catering	-	11	11	17
Trips	-	7	7	10
	-	1,090	1,090	1,049

Holy Family Academy Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2019

3. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS - continued

An analysis of grants received is given below:

	Unrestricted funds £'000	Restricted funds £'000	2019 Total funds £'000	2018 Total funds £'000
DfE/ESFA revenue grant				
General Annual Grant(GAG)	-	813	813	801
Other ESFA Grants	-	160	160	139
	-	973	973	940
Other government grant				
Local authority grants	-	99	99	82
	-	1,072	1,072	1,022

4. OTHER TRADING ACTIVITIES

	Unrestricted funds £'000	Restricted funds £'000	2019 Total funds £'000	2018 Total funds £'000
Other event and activities	9	-	9	11
Books and uniforms	-	-	-	1
Wages reimbursement	70	-	70	98
Sundry income	13	-	13	2
	92	-	92	112

5. EXPENDITURE

	Staff costs £'000	Non-pay expenditure		2019 Total £'000	2018 Total £'000
		Premises £'000	Other costs £'000		
Raising funds					
Costs of fundraising					
Direct costs	78	-	3	81	109
Charitable activities					
Academies educational operations					
Direct costs	653	8	69	730	685
Allocated support costs	214	49	91	354	372
	945	57	163	1,165	1,166

Net income/(expenditure) is stated after charging/(crediting):

	2019 £'000	2018 £'000
Auditors' remuneration	7	7
Auditors' remuneration for non-audit work	1	2
Depreciation - owned assets	20	16
Operating leases - Others	5	5

Holy Family Academy Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2019

6. RAISING FUNDS

Costs of fundraising

	Unrestricted funds £'000	Restricted funds £'000	2019 Total funds £'000	2018 Total funds £'000
Staff costs	78	-	78	106
Sundries	3	-	3	3
	<u>81</u>	<u>-</u>	<u>81</u>	<u>109</u>

7. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £'000	Restricted funds £'000	2019 Total funds £'000	2018 Total funds £'000
Direct costs	-	730	730	685
Support costs	-	354	354	372
	<u>-</u>	<u>1,084</u>	<u>1,084</u>	<u>1,057</u>

	2019 Total £'000	2018 Total £'000
Analysis of support costs		
Support staff costs	214	180
Technology costs	11	15
Premises costs	49	80
Other support costs	71	88
Governance costs	9	9
Total support costs	<u>354</u>	<u>372</u>

Holy Family Academy Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2019

8. TRUSTEES' REMUNERATION AND BENEFITS

The Principal and staff trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff, and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the academy in respect of their role as trustees. The value of trustees' remuneration was as follows:

B Nesbit (Principal and trustee)

Remuneration £85,000 - £90,000 (2018: £80,000 - £85,000)

Employer's pension contributions £10,000 - £15,000 (2018: £10,000 - £15,000)

S Benson (staff trustee) - to 31 August 2018

Remuneration £nil (2018: £55,000 - £60,000)

Employer's pension contributions £nil (2018: £5,000 - £10,000)

J McLaughlin (staff trustee) - from 14 March 2019

Remuneration £20,000 - £25,000 (2018: £nil)

Employer's pension contributions £0 - £5,000 (2018: £nil)

Trustees' expenses

During the year ended 31 August 2019, travel and subsistence expenses totalling £290 (2018 - £500) were reimbursed or paid directly to 1 trustee (2018 - 2) who worked for the school.

Other transactions

Other related party transactions involving the trustees are set out in the Related Party Disclosures note.

Holy Family Academy Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2019

9. STAFF COSTS

a. Staff costs

	2019 £'000	2018 £'000
Wages and salaries	697	683
Social security costs	59	57
Pension costs	170	158
	926	898
Supply teacher costs	19	9
	<u>945</u>	<u>907</u>

b. Staff numbers

The average number of persons (including senior management team) employed by the charitable company during the year was as follows:

	2019	2018
Teachers	20	20
Administration and support	16	10
Management	1	1
	<u>37</u>	<u>31</u>

c. Higher paid staff

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

	2019	2018
£80,001 - £90,000	1	1

d. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 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 £314,699 (2018: £233,006).

10. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance 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. The cost of this insurance is included in the total insurance cost.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £'000	Restricted funds £'000	Restricted fixed asset fund £'000	Total funds £'000
INCOME AND ENDOWMENTS FROM				
Donations and capital grants	-	-	6	6
Charitable activities				
Funding for the academy's educational operations	-	1,049	-	1,049
Other trading activities	107	5	-	112
Total	107	1,054	6	1,167

Holy Family Academy Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2019

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £'000	Restricted funds £'000	Restricted fixed asset fund £'000	Total funds £'000
EXPENDITURE ON				
Raising funds	109	-	-	109
Charitable activities				
Academy's educational operations	-	1,041	16	1,057
Total	<u>109</u>	<u>1,041</u>	<u>16</u>	<u>1,166</u>
NET INCOME/(EXPENDITURE)	(2)	13	(10)	1
Transfers between funds	-	(13)	13	-
	(2)	-	3	1
Other recognised gains/(losses)				
Actuarial gains/losses on defined benefit schemes	-	59	-	59
Net movement in funds	(2)	59	3	60
RECONCILIATION OF FUNDS				
Total funds brought forward	97	(240)	13	(130)
TOTAL FUNDS CARRIED FORWARD	<u>95</u>	<u>(181)</u>	<u>16</u>	<u>(70)</u>

12. TANGIBLE FIXED ASSETS

	Furniture and Equipment £'000	Computer Equipment £'000	Totals £'000
COST			
At 1 September 2018	14	54	68
Additions	37	8	45
At 31 August 2019	<u>51</u>	<u>62</u>	<u>113</u>
DEPRECIATION			
At 1 September 2018	6	46	52
Charge for year	12	8	20
At 31 August 2019	<u>18</u>	<u>54</u>	<u>72</u>
NET BOOK VALUE			
At 31 August 2019	<u>33</u>	<u>8</u>	<u>41</u>
At 31 August 2018	<u>8</u>	<u>8</u>	<u>16</u>

13. STOCKS

	2019 £'000	2018 £'000
Stocks	<u>2</u>	<u>2</u>

Holy Family Academy Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2019

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £'000	2018 £'000
Trade debtors	39	42
VAT recoverable	9	20
Prepayments and accrued income	39	37
	<u>87</u>	<u>99</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £'000	2018 £'000
Trade creditors	41	43
Other creditors	-	2
Accruals and deferred income	25	49
	<u>66</u>	<u>94</u>

	2019 £'000	2018 £'000
Deferred income		
Deferred Income at 1 September 2018	12	15
Resources deferred in the year	11	12
Amounts released from previous years	(12)	(15)
Deferred Income at 31 August 2019	<u>11</u>	<u>12</u>

At the balance sheet date the academy trust was holding funds received in advance for Universal Infant Free School Meals.

16. COMMITMENTS UNDER OPERATING LEASES

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2019 £'000	2018 £'000
Within one year	4	4
Between one and five years	3	8
	<u>7</u>	<u>12</u>

17. MEMBERS' LIABILITY

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

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2019 are represented by:

	Unrestricted fund £'000	Restricted funds £'000	Restricted fixed asset fund £'000	2019 Total funds £'000
Fixed assets	-	-	41	41
Current assets	106	305	-	411
Current liabilities	-	(66)	-	(66)
Pension liability	-	(594)	-	(594)
	<u>106</u>	<u>(355)</u>	<u>41</u>	<u>(208)</u>

Holy Family Academy Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2019

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS - continued

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

	Unrestricted fund	Restricted funds	Restricted fixed asset fund	2018
			£'000	Total funds £'000
Fixed assets	-	-	16	16
Current assets	95	289	-	384
Current liabilities	-	(94)	-	(94)
Pension liability	-	(376)	-	(376)
	<u>95</u>	<u>(181)</u>	<u>16</u>	<u>(70)</u>

19. MOVEMENT IN FUNDS

	Balance 01.09.18 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance 31.08.19 £000
Restricted general funds					
General annual grant (GAG)	195	813	(740)	(29)	239
Pupil Premium	-	102	(102)	-	-
Other ESFA	-	58	(58)	-	-
Other grants	-	99	(99)	-	-
Other revenue	-	18	(18)	-	-
Pension reserve	(376)	-	(47)	(171)	(594)
	<u>(181)</u>	<u>1,090</u>	<u>(1,064)</u>	<u>(200)</u>	<u>(355)</u>
Restricted fixed asset funds					
DfE/ESFA grants	7	16	(8)	-	15
Capital expenditure from GAG	9	-	(12)	29	26
	<u>16</u>	<u>16</u>	<u>(20)</u>	<u>29</u>	<u>41</u>
Total restricted funds	<u>(165)</u>	<u>1,106</u>	<u>(1,084)</u>	<u>(171)</u>	<u>(314)</u>
Unrestricted funds	<u>95</u>	<u>92</u>	<u>(81)</u>	<u>-</u>	<u>106</u>
Total funds	<u>(70)</u>	<u>1,198</u>	<u>(1,165)</u>	<u>(171)</u>	<u>(208)</u>

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

The restricted fixed assets funds represent the net book values of donated fixed assets and assets purchased from ESFA and other government grants, which have to be held for the continuing use of the academy, along with unspent grants for capital purposes.

The balance on restricted general funds represents the balance of unspent grants and other revenue to be spent in future periods, including unspent General Annual Grant.

The balance on unrestricted funds represents the unspent surplus from the local authority on conversion and unspent surpluses from other unrestricted activities.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2019.

Holy Family Academy Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2019

19. MOVEMENT IN FUNDS - continued

Comparative information in respect of the preceding period as follows:

	Balance 01.09.17 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance 31.08.18 £000
Restricted general funds					
General annual grant (GAG)	145	800	(737)	(13)	195
Pupil Premium	-	101	(101)	-	-
Other ESFA	-	38	(38)	-	-
Other grants	-	82	(82)	-	-
Other revenue	-	33	(33)	-	-
Pension reserve	(385)	-	(50)	59	(376)
	<u>(240)</u>	<u>1,054</u>	<u>(1,041)</u>	<u>46</u>	<u>(181)</u>
Restricted fixed asset funds					
Assets inherited on conversion	1	-	(1)	-	-
DfE/ESFA grants	6	6	(5)	-	7
Capital expenditure from GAG	<u>6</u>	<u>-</u>	<u>(10)</u>	<u>13</u>	<u>9</u>
	13	6	(16)	13	16
Total restricted funds	<u>(227)</u>	<u>1,060</u>	<u>(1,057)</u>	<u>59</u>	<u>(165)</u>
Unrestricted funds	<u>97</u>	<u>107</u>	<u>(109)</u>	<u>-</u>	<u>95</u>
Total funds	<u>(130)</u>	<u>1,167</u>	<u>(1,166)</u>	<u>59</u>	<u>(70)</u>

20. 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 South Yorkshire Pensions Authority. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

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

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 full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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

Holy Family Academy Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2019

20. PENSION AND SIMILAR OBLIGATIONS
- continued

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 2012 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 9 June 2014. 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 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 September 2019.

The employer's pension costs paid to TPS in the period amounted to £56,534 (2018: £60,278).

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

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

Local government pension scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee administered funds. The total contribution made for the year ended 31 August 2019 was £88,000 (2018: £61,000), of which employer's contributions totalled £69,000 (2018: £46,000) and employees' contributions totalled 19,000 (2018: £15,000). The agreed contribution rates for future years are 13.3 per cent for employers and 5.5 to 12.5 per cent for employees.

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

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	2019	2018
	£'000	£'000
Present value of funded obligations	(933)	(627)
Fair value of plan assets	339	251
	<u>(594)</u>	<u>(376)</u>
Deficit	<u>(594)</u>	<u>(376)</u>
Liability	<u>(594)</u>	<u>(376)</u>

Holy Family Academy Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2019

20. PENSION AND SIMILAR OBLIGATIONS
- continued

The amounts recognised in the statement of financial activities are as follows:

	Defined benefit pension plans	
	2019	2018
	£'000	£'000
Current service cost	90	86
Net interest from net defined benefit asset/liability	10	9
Past service cost	15	-
	<u>115</u>	<u>95</u>
Actual return on plan assets	<u>22</u>	<u>10</u>

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2019	2018
	£'000	£'000
Defined benefit obligation	627	569
Current service cost	90	86
Past service cost	15	-
Contributions by scheme participants	19	15
Interest cost	18	14
Actuarial losses/(gains)	185	(54)
Benefits paid	<u>(21)</u>	<u>(3)</u>
	<u>933</u>	<u>627</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2019	2018
	£'000	£'000
Fair value of scheme assets	251	184
Contributions by employer	69	46
Contributions by scheme participants	19	15
Administrative expenses	(1)	(1)
Expected return	8	5
Actuarial gains	14	5
Benefits paid	<u>(21)</u>	<u>(3)</u>
	<u>339</u>	<u>251</u>

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	2019	2018
	£'000	£'000
Actuarial (losses)/gains	<u>(171)</u>	<u>59</u>
	<u>(171)</u>	<u>59</u>

Holy Family Academy Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2019

20. PENSION AND SIMILAR OBLIGATIONS
- continued

The major categories of scheme assets as amounts of total scheme assets are as follows:

	Defined benefit pension plans	
	2019	2018
	£'000	£'000
Equities	178	134
Property	29	24
Government Bonds	48	36
Other Bonds	25	18
Cash	11	12
Other	48	27
	<u>339</u>	<u>251</u>

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)

	2019	2018
Rate of increase in salaries	3.25%	3.35%
Discount rate for scheme liabilities	1.8%	2.5%
Inflation assumption (CPI)	2%	2.1%
Increase in pensions in payment	2.1%	2.2%

Sensitivity Analysis

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

	Central	Sensitivity 1	Sensitivity 2	Sensitivity 3	Sensitivity 4
		+0.1% p.a. discount rate	+0.1% p.a. inflation	+ 0.1% p.a. pay growth	1 year increase in life expectancy
	£000	£000	£000	£000	£000
Liabilities	933	910	957	934	950
Assets	(339)	(339)	(339)	(339)	(339)
Deficit/(Surplus)	594	571	618	595	611
Projected Service Cost for next year	131	127	135	131	133
Projected Net Interest Cost for next year	10	10	11	10	10

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

	At 31 August 2019	At 31 August 2018
Retiring today		
Males	23.1	23.0
Females	25.9	25.8
Retiring in 20 years		
Males	25.3	25.2
Females	28.3	28.1

Holy Family Academy Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2019

21. RELATED PARTY DISCLOSURES

Owing to the nature of the academy trust and the composition of the board of governors being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trusts' s financial regulations and normal procurement procedure relating to connected and related party transactions. The following related party transactions took place in the financial period.

During the year, the academy trust paid the Diocese of Hallam, an organisation which is able to appoint foundation governors, to the value of £3,786 (2018: £3,710), this was to provide essential functions fundamental to the religious character and ethos of the academy trust.

P McCay, brother of the chair of trustees JP McCay is employed by the academy trust as a teaching assistant. P McCay's appointment was made in open competition and JP McCay was not involved in the decision-making process regarding the appointment. P McCay is paid within the normal pay scale for his role and receives no special treatment as a result of his relationship to a trustee.