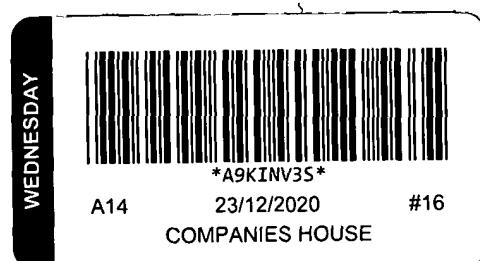


Company Registration Number: 07696498 (United Kingdom)

**ST MARY'S CATHOLIC PRIMARY SCHOOL, CHURCHDOWN**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2020**



**ST MARY'S CATHOLIC PRIMARY SCHOOL, CHURCHDOWN**  
**(A COMPANY LIMITED BY GUARANTEE)**

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The following pages do not form part of the statutory financial statements:

**ST MARY'S CATHOLIC PRIMARY SCHOOL, CHURCHDOWN**  
**(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS**

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**Members** Richard Wallace  
The Clifton Catholic Diocesan Education Committee  
Declan Lang, Bishop of Clifton

**Trustees** Richard Wallace, Chair<sup>1</sup>  
Moir Pratt, Vice Chair<sup>2,3</sup>  
Jonathan Allen<sup>1,2</sup>  
Anne Fullerton (resigned 31 August 2020)<sup>1,2,3</sup>  
Benjamin Jones<sup>1,2</sup>  
Liam Jordan, Headteacher<sup>1,2,3</sup>  
Paul Kehoe<sup>2,3</sup>  
Jessica Martin (resigned 28 February 2020)<sup>3</sup>  
Kerry Shearman (resigned 28 February 2020)<sup>2</sup>  
Anthony Wadley<sup>1</sup>  
Frances Walker<sup>3</sup>  
Richard Duffy Turner (appointed 1 March 2020)<sup>1</sup>  
Nickita Moran (resigned 31 August 2020)<sup>3</sup>

<sup>1</sup> Finance & Resources Committee

<sup>2</sup> Curriculum and Standards Committee

<sup>3</sup> Mission & Wellbeing Committee

**Company registered number** 07696498

**Company name** St Mary's Catholic Primary School, Churchdown

**Principal and registered office** Cheltenham Road East  
Churchdown  
Gloucester  
GL3 1HU

**Company secretary** Patricia Blackwood

**Chief executive officer** Liam Jordan

**Senior Leadership Team**

Liam Jordan, Headteacher  
Anne Fullerton, Deputy Headteacher  
Jenny Fredrickson, Senior Teacher  
Louise James, School Business Manager

**Independent auditors** Bishop Fleming Bath Limited  
Chartered Accountants  
Statutory Auditors  
Minerva House  
Lower Bristol Road  
Bath  
BA2 9ER

**ST MARY'S CATHOLIC PRIMARY SCHOOL, CHURCHDOWN  
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

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<b>Solicitors</b>	Harrison Clark Rickerbys Ellenborough House Wellington Street Cheltenham Gloucestershire GL50 1YD
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**ST MARY'S CATHOLIC PRIMARY SCHOOL, CHURCHDOWN  
(A COMPANY LIMITED BY GUARANTEE)**

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

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

The Trust operates an academy for pupils aged 4 to 11 in Churchdown, Gloucester. It has a pupil capacity of 210 and had a roll of 217 in the school census of Spring 2020.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

The Academy 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.

The Trustees of St Mary's Catholic Primary School, Churchdown are also the directors of the charitable company for the purposes of company law. The charitable company is known as St Mary's Catholic Primary School, Churchdown.

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 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 they ceased to be a member.

**Trustees' Indemnities**

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.

**TRUSTEES**

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

The management of the Academy is the responsibility of the Trustees who are elected and co opted under the terms of the Articles of Association. Trustees are elected for four years. Foundation Governors (Trustees) are appointed by the Diocese and can apply to be reinstated at the end of their term. Parent and Staff Governors are elected by secret ballot and can put themselves forward to be re elected. Trustees retire by rotation at the end of their four years unless they give notice beforehand.

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

During the 12 month period under review the Trustees met four times. Each Committee met several times during the 12 month period.

The training and induction provided for new Trustees will depend on their existing experience. Where necessary, induction is provided on charity and educational, legal and financial matters. All new Trustees will be given a tour of the Academy and the chance to meet with staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, strategic plans and other documents that they will need to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual.

**ST MARY'S CATHOLIC PRIMARY SCHOOL, CHURCHDOWN  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**Organisational Structure**

The Governing Body has established a number of committees (Finance & Resources, Mission & Wellbeing and Curriculum & Standards) to review policies and performance of the school in all areas. Members of the Governing Body sit on the committees and panels. The Head Teacher also attends every committee meeting along with other members of the school's Senior Leadership Team (as appropriate). Reports from each of the committees is received and discussed at every meeting of the full Governing body.

**Development Plan and budget**

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Academy by the use of budgets and other data, and making major decisions about the direction of the Academy, capital expenditure and staff appointments.

The Trustees and Board of Trustees have devolved responsibility for day to day management of the Academy to the Headteacher and Senior Leadership Team (SLT). The SLT comprises the Headteacher, Deputy Headteacher, Senior Teacher and the School Business Manager. The SLT implement the policies laid down by the Trustees and report back to them on performance. As a group the leadership team are responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment decisions for management posts always contain a Governor. Some spending control is devolved to members of the teaching staff who each have budgets. The School Business Manager countersigns all spending requests. Any budget overspends must be authorised by the Headteacher

The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Headteacher is the Accounting Officer.

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

The pay of key management personnel is reviewed annually and normally increased in accordance with average earnings.

There were no expenses paid to Trustees in the financial year. Related party transactions are disclosed in the notes to the accounts.

**Connected Organisations, including Related Party Relationships**

St Mary's Playgroup uses the Elliot building and 'Dance, Dance, Dance' use the school hall. The school has a hire agreement with both organisations.

St Dominic's Catholic Primary School is a related party as Mr Kehoe was a Trustee of both St Mary's and St Dominic's.

St Mary's Catholic Primary School, Churchdown does not have a sponsoring organisation.

**OBJECTIVES AND ACTIVITIES**

**Objectives and Aims**

The principal objective and activity of the academy is the operation of St Mary's Catholic Primary school, Churchdown to advance, for the public benefit, education for students of different abilities between the ages of 4 and 11. The school aims to offer "more than a visible curriculum" by enriching pupils' experience of school with extensive opportunities for extra curricular activities and a wide range of educational trips.

**ST MARY'S CATHOLIC PRIMARY SCHOOL, CHURCHDOWN  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

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In accordance with the Articles of Association the Academy's object is to advance for the public benefit education in the United Kingdom. Establish, maintain and develop a Catholic school which offers a broad and balanced curriculum.

The main objectives of the Academy during the year ended 31 August 2020 are summarised below:

- to ensure that every child enjoys the same high-quality education in terms of resourcing, tuition and care;
- to raise the standard of educational achievement of all pupils;
- to build on the legacy of the school's achievements;
- to improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- to provide value for money for the funds expended;
- to comply with all appropriate statutory and curriculum requirements;
- to conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

**Financial objectives**

The Academy's financial objectives are:

- to achieve a consistently balanced budget on a long-term basis;
- to manage funding available for the benefit of current learners;
- to invest in the maintenance and renewal of the school's facilities and infrastructure to provide excellent learning and teaching facilities.

**Objectives, Strategies and Activities**

Key priorities for the year were identified in the School Development Plan as follows:

- To increase the proportion of boys achieving 'Greater Depth' in writing by the end of KS2 (to above/well above national average).
- To increase the proportion of pupils (specifically boys) achieving the Good Level of Development (GLD) measure by the end of EYFS (to above/well above national average).
- To increase overall proportion of pupils who achieve age related expectations in reading and writing by the end of Year 2 (to above/well above national averages).
- To continue to develop a whole school 'Mastery' learning & teaching approaches (particularly focussed upon Key Stage 1) to raise pupil achievement (primarily through maths but to be trialled and extended to other curriculum areas).
- To develop a comprehensive, targeted and holistic approach, to supporting identified vulnerable pupils across the age ranges.
- To ensure that pupils and staff are able to access, and effectively utilise, available computing resources and that IT enhances learning and teaching experiences across the curriculum.

**Public Benefit**

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities

**ST MARY'S CATHOLIC PRIMARY SCHOOL, CHURCHDOWN**  
**(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**STRATEGIC REPORT**

**Achievements and Performance**

The Academy was established on 1 August 2011 following the conversion of St Mary's Catholic Primary School from a Voluntary Aided School.

Statutory assessments did not take place in the 2019-20 academic year (due to school closures between March 2020-July 2020 linked to Covid-19). As a result, schools do not have annual data outcomes to publish. The data tables below summarise the school's outcomes over the past three years:

**End of Key Stage 2 (Year 6)**

Pupil attainment is recorded in relation to the new 'expected standard' for the end of Key Stage 2 (introduced in 2016). Pupils sit tests in reading, GPS (Grammar, Punctuation & Spelling) and maths; these tests produce a 'scaled score' (with 100 representing the 'expected standard') and are used to inform the Teacher Assessment judgement made for each pupil. Pupils' writing attainment is based upon Teacher Assessment and pupils are required to meet all the assessment criteria in order to be judged as meeting the standard. A higher standard 'greater depth' assessment can be awarded in writing.

Reading	2017	2018	2019	NA 2019
%EXS	83	94	90	73
%High Score	43	47	39	27
Av. SS	107	109	108	104
Progress	2.0	1.7	2.1	0

Writing	2017	2018	2019	NA 2019
%EXS	83	88	87	78
%GDS	23	25	13	20
Av. SS	-	-	-	-
Progress	0.6	-0.4	-0.6	0

Maths	2017	2018	2019	NA 2019
%EXS	93	94	97	79
%High Score	20	50	39	27
Av. SS	107	109	109	105
Progress	2.1	1.9	3.0	0

GPS	2017	2018	2019	NA 2019
%EXS	90	91	97	78
%High Score	57	50	48	TBC
Av. SS	109	110	111	106
Progress	-	-	-	-

	2017	2018	2019	NA 2019
% RWM EXS	70	81	81	65
% RWM HIGH	10	19	6	TBC



**ST MARY'S CATHOLIC PRIMARY SCHOOL, CHURCHDOWN**  
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**TRUSTEES REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**End of Key Stage 1 (Year 2)**

Pupil attainment is recorded in relation to the 'expected standard' for the end of Key Stage 1. Pupils sit tests in reading, GPS (Grammar, Punctuation & Spelling) and maths; these tests produce a 'scaled score' (with 100 representing the 'expected standard') and are used to inform the Teacher Assessment judgement made for each pupil.

EXS working at the expected standard

Reading	2017	2018	2019	NA 2019
%EXS	87	77	90	75
%High	30	30	27	26
Av. SS	102.7	101.5	104.0	-

Writing	2017	2018	2019	NA 2019
%EXS	80	70	83	70
%GDS	23	23	20	16

Maths	2017	2018	2019	NA 2019
%EXS	87	83	90	76
%High	27	23	30	22
Av. SS	105.9	101.7	105.7	-

	2017	2018	2019	NA 2019
% RWM EXS	80	70	83	-
% RWM HIGH	17	13	17	-

**Phonics Screening Check (Year 1)**

Year 1 pupils sit the phonics screening check in June.

2017	2018	2019	National Average 2019
90	87	90	83

**EYFS (Reception)**

Pupils are assessed across seventeen different areas of learning. These areas are referred to as Early Learning Goals (ELGs). If a child achieves the expected standard in the three prime areas of learning (communication and language; physical development; and personal, social and emotional development) and the specific ELGs for maths and English then they are judged to have achieved a

	% GLD*	% Exceeding	Av Points	Av. Total Pts
2017	90	23	2.3	38.6
2018	73	27	2.1	35.4
2019	90	27	2.25	37.5
NA 2019	72	-	-	34.6

\*GLD (Good Level of Development) = achieved at least the Expected level in all Prime Areas plus English & Maths

**ST MARY'S CATHOLIC PRIMARY SCHOOL, CHURCHDOWN  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**Key Performance Indicators**

The Academy is committed to observing the importance of performance indicators, to ensure that it continues to strive for both educational and financial excellence. In its latest inspection (Nov 2007), Ofsted concluded that St Mary's Catholic Primary was an 'Outstanding' school.

Note: Grade 1 is 'Outstanding'.

The Academy is also monitored through the completion and submission of various returns to the ESFA.

**Going Concern**

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy 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 Going concern policy.

**FINANCIAL REVIEW**

**Financial Review**

Most of the Academy's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2020 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the DfE which 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 useful life of the assets concerned, as defined in the Academy's accounting policies.

During the year ended 31 August 2020, the Academy received total income of £1,059,786 and incurred total expenditure of £1,131,177. The deficit of income against expenditure (excluding restricted fixed asset fund) for the year was £71,391.

At 31 August 2020 the net book value of fixed assets was £306,243 and 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 pupils of the Academy.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 21 to the financial statements.

**Reserves Policy**

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy.

**ST MARY'S CATHOLIC PRIMARY SCHOOL, CHURCHDOWN  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**Investment Policy**

Due to the nature and timing of receipt of funding, the Academy may at times hold cash balances surplus to its short-term requirements. The Trustees have authorised the opening of additional short-term bank investment accounts to take advantage of higher interest rates. No other form of investment is authorised.

**Principal Risks and Uncertainties**

The Academy continues to undertake work to further develop systems of internal control, including financial, operational and risk management designed to protect the Academy's assets and reputation.

The Premises committee of the governing body has a remit to identify and manage risk and is currently updating the Academy's risk register which identifies the risks to which the Academy is exposed. This will also identify systems and procedures, including specific preventable actions which should mitigate any potential impact on the Academy. The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on the Academy and the actions being taken to reduce and mitigate the risks. Risks are prioritised using a consistent scoring system.

Outlined below is a description of the principal risk factors that may affect the Academy. Not all the factors are within the Academy's control. Other factors besides those listed below may also adversely affect the Academy.

**1. Government funding**

The Academy has considerable reliance on continued Government funding through the ESFA. In the period under review, 94% of the Academy's revenue was ultimately public funded and this level of requirement is expected to continue. This percentage has increased from prior year due to the fall in other income as a result of activities not taking place due to Covid-19 restrictions. There can be no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms. Indeed the Government is currently consulting on a revised system of school funding.

This risk is mitigated in a number of ways:

- By ensuring the Academy is rigorous in delivering high quality education, the school continually has a waiting list for places; and
- Continuing to monitor Government funding proposals and make provision accordingly.

**2. Pupil Numbers**

Pupil numbers have been fairly constant over the past few years. Funding is based on the numbers of pupils on roll. The Catholic ethos of the school, the school's reputation and consistently high SATs results continue to make the school popular. The school is oversubscribed and there are established waiting lists for the majority of classes. Demand for places outstrips availability. There are currently no classes with available pupil places within published admission numbers across the school.

**3. Academic performance**

Any sudden decline in academic standards could have a significant impact on the school's reputation, Ofsted rating and ultimately attractiveness to pupils and parents. Close attention is paid to targeting of pupil achievements and tracking of progress made towards targets by individuals, groups and cohorts of pupils. Progress towards pupil achievement and teacher performance management targets is reviewed termly with teachers. Specific action is taken to address any aspects of projected under performance. The Headteacher, Senior Leadership Team and Curriculum committee are responsible for monitoring academic performance.

**ST MARY'S CATHOLIC PRIMARY SCHOOL, CHURCHDOWN  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**4. Maintain adequate funding of pension liabilities**

The financial statements report the share of the pension scheme deficit on the Academy's balance sheet in line with the requirements of FRS 102. Whilst this currently shows a large liability, the Governors do not believe this poses any risk to the school as the pension scheme has many contributing members and no pensions in payment. The liability is therefore anticipated to reduce steadily.

**FUNDRAISING**

Events are arranged by FOSM (Friends of St Mary's) to provide additional resources and opportunities to advance and enrich the education of the pupils of the school. All events support the school's ethos and are approved by the Headteacher. A member of school staff attends all events to ensure fundraising conforms to recognised school standards.

The school raised funds during the year for charities including Save the Children, CAFOD and The Hedgehog Trust.

Any complaints regarding fundraising will be dealt with following the Academy's usual policy as set out on the website.

**PLANS FOR FUTURE PERIODS**

The Academy will continue striving to maintain levels of academic performance and has rigorous targets and monitoring strategies in place to achieve this.

The Academy is continually assessing the quality of service and value for money of external services currently bought in from the Local Authority and other organisations.

**FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS**

The Academy and its Trustees do not act as the Custodian Trustees of any other Charity.

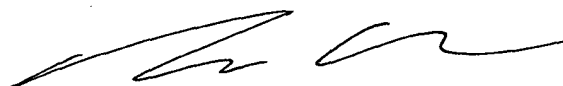
**AUDITORS**

In so far as the Trustees are aware:

there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

The auditors, Bishop Fleming Bath Limited, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Approved by order of the members of the Board of Trustees on 23/11/2020 and signed on their behalf, by:



**Richard Wallace**  
Chair of Trustees

**ST MARY'S CATHOLIC PRIMARY SCHOOL, CHURCHDOWN**  
**(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT**

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**SCOPE OF RESPONSIBILITY**

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

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

**GOVERNANCE**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 5 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
Richard Wallace, Chair	5	5
Moirá Pratt, Vice Chair	3	5
Jonathan Allen	5	5
Anne Fullerton	3	5
Liam Jordan, Headteacher	5	5
Paul Kehoe	4	5
Jessica Martin	2	2
Kerry Shearman	1	2
Anthony Wadley	1	5
Frances Walker	3	5
Richard Duffy Turner	2	2

The Finance and Resources Committee is a sub-committee of the main Board of Trustees.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Richard Wallace	2	2
Liam Jordan	2	2
Benjamin Jones (Chair)	2	2
Jonathan Allen	1	2
Anne Fullerton	2	2

**ST MARY'S CATHOLIC PRIMARY SCHOOL, CHURCHDOWN  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (CONTINUED)**

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**REVIEW OF VALUE FOR MONEY**

As accounting officer, the Headteacher has responsibility for ensuring that the Academy 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's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the Academy has delivered improved value for money during the year by:

- Robust financial governance and budget management
- Value for money purchasing
- Reviewing quality of curriculum provision and quality of teaching

**THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in St Mary's Catholic Primary School, Churchdown for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

**CAPACITY TO HANDLE RISK**

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

**THE RISK AND CONTROL FRAMEWORK**

The Academy'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
- identification and management of risks

The Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have agreed to have a reciprocal arrangement with 2 other schools to cover the role of Responsible Officer/Peer Review. This fulfils the internal audit function, whilst sharing best practice with regard to financial management processes. This includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. Checks carried out in the current period included:

**ST MARY'S CATHOLIC PRIMARY SCHOOL, CHURCHDOWN  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (CONTINUED)**

---

**THE RISK AND CONTROL FRAMEWORK (CONTINUED)**

- Testing of payroll systems
- Testing of purchase systems
- Testing of control account/ bank account reconciliations

The Peer Reviewer reports to the Finance Committee and Governing body 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, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- on discharge of the Board of Trustees financial decisions to help the committee consider actions and assess year on year progress
- 
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy 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 Resources 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 **23/11/2020**  
their behalf by:

and signed on



**Richard Wallace**  
Chair of Trustees



**Liam Jordan**  
Accounting Officer

**ST MARY'S CATHOLIC PRIMARY SCHOOL, CHURCHDOWN  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As accounting officer of St Mary's Catholic Primary School, Churchdown I have considered my responsibility to notify the Academy 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, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

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

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



**Liam Jordan**  
Accounting Officer

Date: 23/11/20



**ST MARY'S CATHOLIC PRIMARY SCHOOL, CHURCHDOWN  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 AUGUST 2020**

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

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

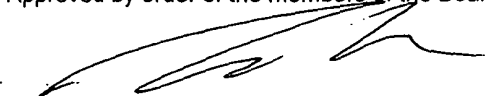
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 2019 to 2020;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable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

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

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

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

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



**Richard Wallace**  
Chair of Trustees



**Liam Jordan**  
Accounting Officer

Date: 23.11.20

**ST MARY'S CATHOLIC PRIMARY SCHOOL, CHURCHDOWN  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST  
MARY'S CATHOLIC PRIMARY SCHOOL, CHURCHDOWN**

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**OPINION**

We have audited the financial statements of St Mary's Catholic Primary School, Churchdown (the 'academy') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

**BASIS FOR OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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'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.

**ST MARY'S CATHOLIC PRIMARY SCHOOL, CHURCHDOWN  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST  
MARY'S CATHOLIC PRIMARY SCHOOL, CHURCHDOWN (CONTINUED)**

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**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 Auditors' Report thereon. Other information includes the Reference and Administrative Details, the Trustees' Report including the Strategic Report, and the Governance 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.

**OPINION 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 Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

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

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

**ST MARY'S CATHOLIC PRIMARY SCHOOL, CHURCHDOWN  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST  
MARY'S CATHOLIC PRIMARY SCHOOL, CHURCHDOWN (CONTINUED)**

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**RESPONSIBILITIES OF TRUSTEES**

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

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

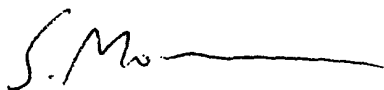
**AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

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

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

**USE OF OUR REPORT**

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



**Simon Morrison FCA (Senior Statutory Auditor)**  
for and on behalf of  
**Bishop Fleming Bath Limited**  
Chartered Accountants  
Statutory Auditors  
Minerva House  
Lower Bristol Road  
Bath  
BA2 9ER

Date: 7/12/2020

**ST MARY'S CATHOLIC PRIMARY SCHOOL, CHURCHDOWN  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST MARY'S  
CATHOLIC PRIMARY SCHOOL, CHURCHDOWN AND THE EDUCATION & SKILLS FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 19 April 2016 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St Mary's Catholic Primary School, Churchdown during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**RESPECTIVE RESPONSIBILITIES OF ST MARY'S CATHOLIC PRIMARY SCHOOL,  
CHURCHDOWN'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of St Mary's Catholic Primary School, Churchdown's funding agreement with the Secretary of State for Education dated 7 June 2011 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**APPROACH**

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

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

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

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

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the Academy complied with the framework of authorities. We also reviewed the reports commissioned by the Trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

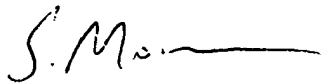
**ST MARY'S CATHOLIC PRIMARY SCHOOL, CHURCHDOWN  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST MARY'S  
CATHOLIC PRIMARY SCHOOL, CHURCHDOWN AND THE EDUCATION & SKILLS FUNDING AGENCY  
(CONTINUED)**

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**CONCLUSION**

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



Simon Morrison FCA  
**Bishop Fleming Bath Limited**  
Chartered Accountants  
Statutory Auditors  
Minerva House  
Lower Bristol Road  
Bath  
BA2 9ER

Date: 7/12/2020

**ST MARY'S CATHOLIC PRIMARY SCHOOL, CHURCHDOWN**  
**(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>INCOME FROM:</b>						
Donations and capital grants	4	2,461	48,103	-	50,564	70,493
Charitable activities		26,085	952,856	-	978,941	972,302
Other trading activities		30,204	-	-	30,204	42,506
Investments	7	77	-	-	77	94
<b>TOTAL INCOME</b>		<b>58,827</b>	<b>1,000,959</b>	<b>-</b>	<b>1,059,786</b>	<b>1,085,395</b>
<b>EXPENDITURE ON:</b>						
Raising funds		21,182	-	-	21,182	20,103
Charitable activities		37,416	1,062,749	9,830	1,109,995	1,102,796
<b>TOTAL EXPENDITURE</b>		<b>58,598</b>	<b>1,062,749</b>	<b>9,830</b>	<b>1,131,177</b>	<b>1,122,899</b>
<b>NET INCOME/ (EXPENDITURE)</b>		<b>229</b>	<b>(61,790)</b>	<b>(9,830)</b>	<b>(71,391)</b>	<b>(37,504)</b>
Transfers between funds	18	-	(1,236)	1,236	-	-
<b>NET MOVEMENT IN FUNDS BEFORE OTHER RECOGNISED GAINS/(LOSSES)</b>		<b>229</b>	<b>(63,026)</b>	<b>(8,594)</b>	<b>(71,391)</b>	<b>(37,504)</b>
<b>OTHER RECOGNISED GAINS/(LOSSES):</b>						
Actuarial gains/(losses) on defined benefit pension schemes	24	-	146,000	-	146,000	(259,000)
<b>NET MOVEMENT IN FUNDS</b>		<b>229</b>	<b>82,974</b>	<b>(8,594)</b>	<b>74,609</b>	<b>(296,504)</b>
<b>RECONCILIATION OF FUNDS:</b>						
Total funds brought forward		64,294	(566,536)	314,837	(187,405)	109,099
Net movement in funds		229	82,974	(8,594)	74,609	(296,504)
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>64,523</b>	<b>(483,562)</b>	<b>306,243</b>	<b>(112,796)</b>	<b>(187,405)</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

ST MARY'S CATHOLIC PRIMARY SCHOOL, CHURCHDOWN  
(A COMPANY LIMITED BY GUARANTEE)  
REGISTERED NUMBER:07696498

BALANCE SHEET  
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
<b>FIXED ASSETS</b>			
Tangible assets	14	306,243	314,837
<b>CURRENT ASSETS</b>			
Stocks		614	2,016
Debtors	15	14,301	24,895
Cash at bank and in hand		175,114	146,517
		<u>190,029</u>	<u>173,428</u>
Creditors: amounts falling due within one year	16	(83,068)	(77,670)
<b>NET CURRENT ASSETS</b>		<u>106,961</u>	<u>95,758</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>413,204</u>	<u>410,595</u>
Defined benefit pension scheme liability	24	(526,000)	(598,000)
<b>TOTAL NET ASSETS</b>		<u>(112,796)</u>	<u>(187,405)</u>
<b>FUNDS OF THE ACADEMY</b>			
<b>Restricted funds:</b>			
Fixed asset funds	18	306,243	314,837
Restricted income funds	18	42,438	31,464
		<u>348,681</u>	<u>346,301</u>
Restricted funds excluding pension asset	18	348,681	346,301
Pension reserve	18	(526,000)	(598,000)
<b>Total restricted funds</b>	18	<u>(177,319)</u>	<u>(251,699)</u>
Unrestricted income funds	18	64,523	64,294
<b>TOTAL FUNDS</b>		<u>(112,796)</u>	<u>(187,405)</u>

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 21 to 47 were approved by the Trustees, and authorised for issue on 23/11/2020 and are signed on their behalf, by:



Richard Wallace  
Chair of Trustees

The notes on pages 24 to 47 form part of these financial statements.



**ST MARY'S CATHOLIC PRIMARY SCHOOL, CHURCHDOWN  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2020**

	<b>Note</b>	<b>2020 £</b>	<b>2019 £</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net cash provided by operating activities	20	29,826	25,987
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	21	(1,229)	(9,516)
<b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR</b>		28,597	16,471
Cash and cash equivalents at the beginning of the year		146,517	130,046
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	22, 23	<u>175,114</u>	<u>146,517</u>

The notes on pages 24 to 47 form part of these financial statements

**ST MARY'S CATHOLIC PRIMARY SCHOOL, CHURCHDOWN  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**1. GENERAL INFORMATION**

St Mary's Catholic Primary School, Churchdown is a private company limited by guarantee, incorporated in the United Kingdom and registered in England and Wales.

**2. ACCOUNTING POLICIES**

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

**2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements of the Academy, which is a public benefit entity under FRS 102, have been prepared under the historic 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 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

St Mary's Catholic Primary School, Churchdown meets the definition of a public benefit entity under FRS 102.

**2.2 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 Academy 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 has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

**ST MARY'S CATHOLIC PRIMARY SCHOOL, CHURCHDOWN  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**2. ACCOUNTING POLICIES (continued)**

**2.3 INCOME**

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

• **Grants**

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the year 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 year it is receivable and to the extent the Academy has provided the goods or services.

**2.4 EXPENDITURE**

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

• **Expenditure on raising funds**

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

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

**ST MARY'S CATHOLIC PRIMARY SCHOOL, CHURCHDOWN  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**2. ACCOUNTING POLICIES (continued)**

**2.5 INTEREST RECEIVABLE**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**2.6 TAXATION**

The Academy 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 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.

**2.7 TANGIBLE FIXED ASSETS**

ICT items costing £100 or more and other assets costing £500 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 requiring 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.

On conversion the Academy was granted a 125 year lease from the local authority for land previously occupied by the local authority school. On conversion this long term leasehold property was recognised as a donation from the local authority and was valued using the depreciated replacement cost method

Buildings occupied under a Church Supplemental Agreement are not recognised as assets in the balance sheet. These land and buildings are occupied free of charge under a rolling two-year licence. Notional rent and a matching donation by the landowner are recognised in the accounts.

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

Long-term leasehold property	- Straight line over 125 year lease
Furniture and equipment	- Straight line over 5 years
Computer equipment	- Straight line over 3 years

**2.8 STOCKS**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**ST MARY'S CATHOLIC PRIMARY SCHOOL, CHURCHDOWN  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**2. ACCOUNTING POLICIES (continued)**

**2.9 DEBTORS**

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

**2.10 CASH AT BANK AND IN HAND**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 30 days.

**2.11 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 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.

**2.12 FINANCIAL INSTRUMENTS**

The Academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy and their measurement bases 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 15. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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 16. 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.

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**2. ACCOUNTING POLICIES (continued)**

**2.13 PENSIONS**

Retirement benefits to employees of the Academy 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 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. 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 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.

**2.14 FUND ACCOUNTING**

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

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

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

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**3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT**

Estimates and judgments 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 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The Academy obtains use of fixed assets as a lessee. The classification of such leases as operating or finance leases requires the Academy to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

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**4. INCOME FROM DONATIONS AND CAPITAL GRANTS**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations	2,461	6,650	-	9,111	19,118
Capital Grants	-	6,453	-	6,453	16,375
Notional donation from Diocese for property occupied	-	35,000	-	35,000	35,000
	<u>2,461</u>	<u>48,103</u>	<u>-</u>	<u>50,564</u>	<u>70,493</u>
<b>TOTAL 2019</b>	<u>2,493</u>	<u>65,000</u>	<u>3,000</u>	<u>70,493</u>	

**5. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>DfE/ESFA grants</b>				
General Annual Grant	-	810,106	810,106	801,337
Other DfE/EFSA grants	-	118,701	118,701	94,843
High Needs	-	24,049	24,049	24,360
Internal catering income	19,501	-	19,501	33,446
Income for hosting trainee teachers	260	-	260	4,605
Sales to students	1,120	-	1,120	852
Trips and other	5,204	-	5,204	12,859
	<u>26,085</u>	<u>952,856</u>	<u>978,941</u>	<u>972,302</u>
<b>TOTAL 2019</b>	<u>51,762</u>	<u>920,540</u>	<u>972,302</u>	



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**6. INCOME FROM OTHER TRADING ACTIVITIES**

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Lettings	7,895	7,895	9,665
Breakfast club and after school club	22,309	22,309	32,841
	<u>30,204</u>	<u>30,204</u>	<u>42,506</u>
TOTAL 2019	<u>42,506</u>	<u>42,506</u>	

**7. INVESTMENT INCOME**

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Bank interest	77	77	94
	<u>94</u>	<u>94</u>	
TOTAL 2019	<u>94</u>	<u>94</u>	

**8. EXPENDITURE**

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £	Total 2019 £
Expenditure on fundraising activities:					
Direct costs	21,182	-	-	21,182	20,103
Education:					
Direct costs	704,497	10,278	31,814	746,589	738,419
Support costs	215,690	74,783	72,933	363,406	364,377
	<u>941,369</u>	<u>85,061</u>	<u>104,747</u>	<u>1,131,177</u>	<u>1,122,899</u>
TOTAL 2019	<u>897,735</u>	<u>84,902</u>	<u>140,262</u>	<u>1,122,899</u>	

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**8. EXPENDITURE (CONTINUED)**

**9. ANALYSIS OF EXPENDITURE BY ACTIVITIES**

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Education	746,589	363,406	1,109,995	1,102,796
TOTAL 2019	738,419	364,377	1,102,796	

**Analysis of direct costs**

	Total funds 2020 £	Total funds 2019 £
Staff costs	704,497	671,752
Pension finance costs	5,500	4,000
Depreciation	7,526	10,488
Educational supplies	11,021	18,335
Staff development	2,496	3,442
Other costs	6,036	17,126
Trips and other costs	108	-
Technology costs	1,313	406
Educational consultancy	8,092	12,870
	<b>746,589</b>	<b>738,419</b>

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**9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)**

**Analysis of support costs**

	Total funds 2020 £	Total funds 2019 £
Staff costs	215,690	208,284
Pension finance costs	5,500	4,000
Depreciation	2,304	3,050
Governance	-	9,787
Recruitment and support	1,902	7,847
Maintenance of premises and equipment	11,039	8,161
Cleaning	6,090	2,646
Rent and rates	6,140	6,232
Energy costs	10,213	11,240
Insurance	13,821	13,378
Security and transport	-	233
Catering	20,057	29,066
Technology costs	6,624	9,516
Office overheads	7,061	9,075
Legal and professional	19,278	4,908
Bank interest and charges	2,687	1,954
Notional rent to Diocese on property	35,000	35,000
	<u>363,406</u>	<u>364,377</u>

**10. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) for the year includes:

	2020 £	2019 £
Depreciation of tangible fixed assets	9,830	13,196
Fees paid to auditors for:		
- audit	7,500	7,500
- other services	440	2,283
	<u>7,940</u>	<u>9,783</u>

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**11. STAFF**

**a. STAFF COSTS**

Staff costs during the year were as follows:

	2020 £	2019 £
Wages and salaries	675,053	673,251
Social security costs	46,305	47,826
Pension costs	220,011	176,658
	<u>941,369</u>	<u>897,735</u>

**b. STAFF NUMBERS**

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

	2020 No.	2019 No.
Teachers / Teaching assistants	23	31
Administration and support	27	17
Management	4	4
	<u>54</u>	<u>52</u>

The average headcount expressed as full-time equivalents was:

	2020 No.	2019 No.
Teachers / Teaching assistants	11	14
Administration and support	5	6
Management	3	4
	<u>19</u>	<u>24</u>

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**11. STAFF (CONTINUED)**

**c. HIGHER PAID STAFF**

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

	2020 No.	2019 No.
In the band £60,001 - £70,000	-	1
In the band £70,001 - £80,000	1	-
	<u>1</u>	<u>-</u>

**d. KEY MANAGEMENT PERSONNEL**

The key management personnel of the Academy 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 was £ (2019 £237,655).

As staff Trustees are not remunerated in respect of their role as a Trustee, where staff Trustees do not form part of the key management personnel other than in their role as Trustee, their remuneration as set out in note 12 has not been included in the total benefits received by key management personnel above.

**12. TRUSTEES' REMUNERATION AND EXPENSES**

The Head Teacher and staff Trustees only receive remuneration in respect of the services they provide undertaking the roles of Head Teacher 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 in the year was as follows: Liam Jordan: Remuneration £65,000-£70,000 (2019: £65,000-£70,000), Employer's pension contributions £15,000-£20,000 (2019: £10,000-£15,000); Anne Fullerton: Remuneration £50,000-£55,000 (2019: £50,000-£55,000), Employer's pension contributions £10,000-£15,000 (2019: £5,000-£10,000); Tony Wadley: Remuneration: £10,000-£15,000 (2019: £15,000-£20,000), Employer's pension contributions £0-£5,000 (2019: £0-£5,000).

During the year, no Trustees received any benefits in kind (2019: £Nil).

During the year ended 31 August 2020, no Trustee expenses have been incurred (2019 - £NIL).

**13. 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.

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**14. TANGIBLE FIXED ASSETS**

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
<b>COST OR VALUATION</b>				
At 1 September 2019	320,130	42,001	107,662	469,793
Additions	-	526	710	1,236
At 31 August 2020	320,130	42,527	108,372	471,029
<b>DEPRECIATION</b>				
At 1 September 2019	20,488	36,318	98,150	154,956
Charge for the year	5,978	1,291	2,561	9,830
At 31 August 2020	26,466	37,609	100,711	164,786
<b>NET BOOK VALUE</b>				
At 31 August 2020	293,664	4,918	7,661	306,243
At 31 August 2019	299,642	5,683	9,512	314,837

**15. DEBTORS**

	2020 £	2019 £
<b>DUE WITHIN ONE YEAR</b>		
Trade debtors	-	5,499
Other debtors	2,943	3,151
Prepayments and accrued income	11,358	16,245
	14,301	24,895

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**16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020 £	2019 £
Trade creditors	9,399	3,681
Other taxation and social security	10,101	11,958
Other creditors	16,898	15,692
Accruals and deferred income	46,670	46,339
	<u>83,068</u>	<u>77,670</u>

**17. FINANCIAL INSTRUMENTS**

	2020 £	2019 £
<b>FINANCIAL ASSETS</b>		
Financial assets measured at fair value through income and expenditure	<u>175,114</u>	<u>146,517</u>
	2020 £	2019 £
<b>FINANCIAL LIABILITIES</b>		
Financial liabilities measured at amortised cost	<u>(19,097)</u>	<u>(7,729)</u>

Financial assets measured at fair value through income and expenditure comprise cash at bank and in hand.

Financial liabilities measured at fair value through income and expenditure comprise trade creditors and accruals.

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**18. STATEMENT OF FUNDS**

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
<b>UNRESTRICTED FUNDS</b>						
General Funds - all funds	64,294	58,827	(58,598)	-	-	64,523
<b>RESTRICTED GENERAL FUNDS</b>						
General Annual Grant (GAG)	-	810,106	(810,106)	-	-	-
Universal Infant Free School Meals (UFSM)	-	36,065	(36,065)	-	-	-
High Needs Funding	-	21,317	(21,317)	-	-	-
Donations	-	6,650	(1,823)	-	-	4,827
Pupil Premium	-	22,296	(22,296)	-	-	-
PE Grant	-	17,870	(14,900)	-	-	2,970
Devolved Formula Capital	31,464	6,453	(2,970)	(1,236)	-	33,711
Other Restricted Funds	-	80,202	(79,272)	-	-	930
Pension reserve	(598,000)	-	(74,000)	-	146,000	(526,000)
	<u>(566,536)</u>	<u>1,000,959</u>	<u>(1,062,749)</u>	<u>(1,236)</u>	<u>146,000</u>	<u>(483,562)</u>
<b>RESTRICTED FIXED ASSET FUNDS</b>						
Fixed assets transferred on conversion	299,642	-	(1,770)	-	-	297,872
Fixed assets purchased from GAG and other restricted funds	15,195	-	(8,060)	1,236	-	8,371
	<u>314,837</u>	<u>-</u>	<u>(9,830)</u>	<u>1,236</u>	<u>-</u>	<u>306,243</u>
<b>TOTAL RESTRICTED FUNDS</b>	<u>(251,699)</u>	<u>1,000,959</u>	<u>(1,072,579)</u>	<u>-</u>	<u>146,000</u>	<u>(177,319)</u>



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**18. STATEMENT OF FUNDS (CONTINUED)**

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
<b>TOTAL FUNDS</b>	<b>(187,405)</b>	<b>1,059,786</b>	<b>(1,131,177)</b>	<b>-</b>	<b>146,000</b>	<b>(112,796)</b>

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

General Annual Grant (GAG) - Income from the ESFA which is to be used for the normal running costs of the Academy, including education and support costs. During the year £Nil (2018: £4,919) was transferred to the restricted fixed asset fund to represent fixed assets purchased from GAG.

Universal Infant Free School Meals (UIFSM) - Funding received from the ESFA to contribute to the costs of providing free school meals to children in Reception, Year 1 and Year 2.

High Needs - Funding received from the Local Authority to fund further support for students with additional needs.

Donations - Contributions from various sources towards school trips and other educational purposes.

Pupil Premium - This represents funding received from the ESFA for children that qualify for free school meals to enable the Academy to address the current underlying inequalities between those children and their wealthier peers.

PE Grant - Income received from the ESFA to improve the PE and sport provision, for the benefit of primary aged pupils, so that they develop healthy lifestyles.

Devolved Formula Capital (DFC) - This represents funding transferred on conversion from the Local Authority to cover the maintenance and purchase of the Academy's assets. DFC funding received and used for purchase of fixed assets is recognised as income in the restricted fixed asset fund.

Pension reserve - This represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy.

Fixed assets transferred on conversion – This represents the land and equipment donated to the school from the Local Authority on conversion to an Academy.

Fixed assets purchased from GAG and other funds - This represents assets which have been purchased from GAG income, devolved formula capital income and the Academies Capital Maintenance Fund.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2020.

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**18. STATEMENT OF FUNDS (CONTINUED)**

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
<b>UNRESTRICTED FUNDS</b>						
General Funds	59,145	96,855	(91,706)	-	-	64,294
<b>RESTRICTED GENERAL FUNDS</b>						
General Annual Grant (GAG)	-	800,814	(800,814)	-	-	-
Universal Infant Free School Meals (UIFSM)	-	37,801	(37,801)	-	-	-
High Needs Funding	-	24,360	(24,360)	-	-	-
Donations	-	10,410	(7,900)	(2,510)	-	-
Pupil Premium	-	34,228	(34,228)	-	-	-
PE Grant	-	17,860	(17,860)	-	-	-
Devolved Formula Capital	19,189	16,375	-	(4,100)	-	31,464
Other Restricted Funds	-	43,692	(43,692)	-	-	-
Pension reserve	(288,000)	-	(51,000)	-	(259,000)	(598,000)
	<u>(268,811)</u>	<u>985,540</u>	<u>(1,017,655)</u>	<u>(6,610)</u>	<u>(259,000)</u>	<u>(566,536)</u>
<b>RESTRICTED FIXED ASSET FUNDS</b>						
Fixed assets transferred on conversion	302,203	-	(2,561)	-	-	299,642
Fixed assets purchased from GAG and other restricted funds	16,562	3,000	(10,977)	6,610	-	15,195
	<u>318,765</u>	<u>3,000</u>	<u>(13,538)</u>	<u>6,610</u>	<u>-</u>	<u>314,837</u>

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**18. STATEMENT OF FUNDS (CONTINUED)**

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
<b>TOTAL RESTRICTED FUNDS</b>	49,954	988,540	(1,031,193)	-	(259,000)	(251,699)
<b>TOTAL FUNDS</b>	109,099	1,085,395	(1,122,899)	-	(259,000)	(187,405)

**19. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	306,243	306,243
Current assets	64,523	125,506	-	190,029
Creditors due within one year	-	(83,068)	-	(83,068)
Provisions for liabilities and charges	-	(526,000)	-	(526,000)
<b>TOTAL</b>	64,523	(483,562)	306,243	(112,796)

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	314,837	314,837
Current assets	64,294	109,134	-	173,428
Creditors due within one year	-	(77,670)	-	(77,670)
Provisions for liabilities and charges	-	(598,000)	-	(598,000)
<b>TOTAL</b>	64,294	(566,536)	314,837	(187,405)

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**20. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2020 £	2019 £
Net expenditure for the period (as per Statement of Financial Activities)	(71,391)	(37,504)
<b>ADJUSTMENTS FOR:</b>		
Depreciation and disposals	9,830	13,367
Interest receivable	(77)	(94)
Defined benefit pension scheme cost less contributions payable	63,000	41,000
Defined benefit pension scheme finance cost	11,000	8,000
Decrease in stocks	1,402	-
Decrease in debtors	10,664	1,578
Increase/(decrease) in creditors	5,398	(360)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>29,826</b>	<b>25,987</b>

**21. CASH FLOWS FROM INVESTING ACTIVITIES**

	2020 £	2019 £
Dividends, interest and rents from investments	77	94
Purchase of tangible fixed assets	(1,306)	(9,610)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(1,229)</b>	<b>(9,516)</b>

**22. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2020 £	2019 £
Cash at bank and in hand	175,114	146,517
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>175,114</b>	<b>146,517</b>

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**23. ANALYSIS OF CHANGES IN NET DEBT**

	At 1 September 2019 £	At 31 August 2020 £
Cash at bank and in hand	146,517	146,517
	<u>146,517</u>	<u>146,517</u>

**24. PENSION COMMITMENTS**

The Academy'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 Gloucestershire County Council Pension Fund. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 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**

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. 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.

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**24. PENSION COMMITMENTS (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 every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the year amounted to £97,079 (2019 - £69,214).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Academy has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy 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 2020 was £71,000 (2019 - £79,000), of which employer's contributions totalled £58,000 (2019 - £64,000) and employees' contributions totalled £ 13,000 (2019 - £15,000). The agreed contribution rates for future years are 25.1 per cent for employers and 5.5-6.5 per cent for employees.

As described in note the LGPS obligation relates to the employees of the Academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy 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.

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**24. PENSION COMMITMENTS (CONTINUED)**

**Principal actuarial assumptions**

	2020 %	2019 %
Rate of increase in salaries	2.5	2.6
Rate of increase for pensions in payment/inflation	2.2	2.3
Discount rate for scheme liabilities	1.7	1.8

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

	2020 Years	2019 Years
<i>Retiring today</i>		
Males	21.7	22.4
Females	23.9	24.6
<i>Retiring in 20 years</i>		
Males	22.4	24.0
Females	25.3	26.4

**Sensitivity analysis**

	2020 £000	2019 £000
Real discount rate +0.5%	167	(213)
Salary increase rate +0.5%	13	161
Pension increase rate +0.5%	151	218

The Academy's share of the assets in the scheme was:

	2020 £	2019 £
Equities	618,420	558,350
Debt instruments	215,510	214,750
Property	74,960	68,720
Cash	28,110	17,180
<b>TOTAL MARKET VALUE OF ASSETS</b>	<b>937,000</b>	<b>859,000</b>

The actual return on scheme assets was £59800 (2019 - £55800).

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**24. PENSION COMMITMENTS (CONTINUED)**

The amounts recognised in the Statement of Financial Activities are as follows:

	2020 £	2019 £
Current service cost	(121,000)	(105,000)
Past service cost	-	(2,000)
Interest income	16,000	22,000
Interest cost	(27,000)	(30,000)
<b>Total amount recognised in the statement of financial activities</b>	<b>(132,000)</b>	<b>(115,000)</b>

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

	2020 £	2019 £
<b>At 1 September</b>	<b>1,457,000</b>	<b>1,025,000</b>
Current service cost	121,000	105,000
Interest cost	27,000	30,000
Employee contributions	13,000	15,000
Actuarial (gains)/losses	(144,000)	286,000
Benefits paid	(11,000)	(6,000)
Past service costs	-	2,000
<b>At 31 August</b>	<b>1,463,000</b>	<b>1,457,000</b>

Changes in the fair value of the Academy's share of scheme assets were as follows:

	2020 £	2019 £
<b>At 1 September</b>	<b>859,000</b>	<b>737,000</b>
Interest income	16,000	22,000
Actuarial gains	2,000	27,000
Employer contributions	58,000	64,000
Employee contributions	13,000	15,000
Benefits paid	(11,000)	(6,000)
<b>At 31 August</b>	<b>937,000</b>	<b>859,000</b>

**25. MEMBERS' LIABILITY**

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/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.



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**26. RELATED PARTY TRANSACTIONS**

Certain trustees' remuneration and expenses are already disclosed in note 12.

St Dominic's Catholic Primary School is considered a related party as Mr Kehoe was a trustee of both schools, and the Head Teacher, Mr Jordan, was also interim Executive Head Teacher at St Dominic's for part of the year. During the year St Mary's provided staff and support to St Dominic's and charged £6,307 (2019:£2,121) to reimburse St Mary's for the cost. At the year end St Dominic's owed the Academy £Nil (2019:£1,799).

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

**27. CONTROLLING PARTY**

The Academy is under the control of the Bishop of Clifton by virtue of his ability to appoint the majority of the board of trustees.