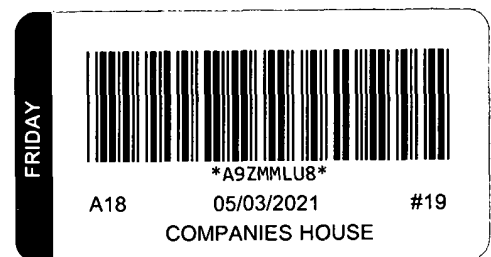


REGISTERED COMPANY NUMBER: 7733864 (England and Wales)

Report of the Trustees and
Financial Statements
for the Year Ended 31 August 2020
for
Saint Edmund's Catholic Academy

MHA Monahans
Statutory Auditor
Chartered Accountants
Fortescue House
Court Street
Trowbridge
Wiltshire
BA14 8FA



Saint Edmund's Catholic Academy

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for the Year Ended 31 August 2020

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Saint Edmund's Catholic Academy
Reference and Administrative Details
for the Year Ended 31 August 2020

MEMBERS: R Swan
The Very Reverend D Lang
Clifton Catholic Diocesan Education Consortium

TRUSTEES R Swan *
V Hood
C McMillan *
G Pickford
I Rodgers (appointed 1.11.19)
A Tarrant (resigned 5.9.20)
H Bridges
K Moore (appointed 1.9.19) (resigned 31.8.20)
L Kumah (resigned 9.9.19)
L Brown (appointed 1.9.20)
C Cady (appointed 23.10.20)
A Lopes (appointed 2.11.20)

* Members of Members of the Finance and Audit Committee

SENIOR MANAGEMENT TEAM: K Moore (Seconded Headteacher) - (resigned 31.8.20)
L Brown (Headteacher) - (appointed 1.9.20)
H Bridges (Assistant Headteacher - Standards)
P du Pre (Senior Teacher – Curriculum)

REGISTERED OFFICE Duncan Street
Calne
Wiltshire
SN11 9BX

REGISTERED COMPANY NUMBER 7733864 (England and Wales)

INDEPENDENT AUDITORS MHA Monahans
Statutory Auditor
Chartered Accountants
Fortescue House
Court Street
Trowbridge
Wiltshire
BA14 8FA

SOLICITORS Goughs
28 Church Street
Calne
SN11 0HX

BANKERS Lloyds Bank
29 High Street Chippenham
Wiltshire
SN15 3HA

Saint Edmund's Catholic Academy

Report of the Trustees **for the Year Ended 31 August 2020**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) and the Academies Accounts Direction issued by the Education and Skills Funding Agency.

OBJECTIVES AND ACTIVITIES

Objects

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

Objectives

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

- to ensure the provision of high quality Catholic Education as with in the frame work of values and aims set out 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 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.

Gospel Values	Christian Virtues
Blessed are the poor in spirit: The kingdom of heaven is theirs.	Humility and service
Blessed are the gentle: They shall have the earth as their heritage	Gentleness and self-control
Blessed are those that mourn: They shall be comforted	Hope and compassion
Blessed are those that hunger and thirst for what is right: They shall have their fill	Truth, justice and fairness
Blessed are the merciful: They shall have mercy shown them	Forgiveness, kindness and magnanimity
Blessed are the pure in heart: They shall see God	Innocence, trust (in God), Creativity and spontaneity
Blessed are the peacemakers: They shall be recognised as children of God.	Peace and respect

Mission Statement

The Catholic faith is central to the whole life of our school and all aspects of the curriculum. In following Christ and his teachings we aspire to excellence in every area of school life.

Our school is committed to the development of the whole child and sees this wholeness in terms of Christ, the Perfect Man. The Gospel values are our model for the values, attitudes and virtues which permeate leadership, learning and relationships within the school.

Within our school all education is seen as a means whereby children move towards a fuller understanding of God, mankind and the world around us, thus becoming children who talk and pray consciously with God and accept the responsibility to love and serve others.

Our school sees its task as the bringing together of faith, life and culture.

Our school is a community in which children are helped to live first and foremost as children. Enjoying the experience of childhood and not just as preparation for life as future adults. From the outset we recognise and respect the value, dignity and individuality of each child.

Saint Edmund's Catholic Academy

Report of the Trustees
for the Year Ended 31 August 2020

As a school we are committed to working alongside parents as partners in children's education, recognising that parents are the first and foremost educators of their children.

In our school children are expected to be themselves, to live in harmony with other children and adults, to learn from and respect the school environment, to enjoy the present, get ready for the future, to create and to love, to face adversity, to behave responsibly, in other words, to be fully human.

Objectives, Strategies and Activities

Key Priorities 2019/20

Area	Actions
Leadership	Establish new Headteacher. Strengthen Leadership of SEND.
Teaching and Learning	Set up Target Tracker. Priorities from assessment analysis – progress of vulnerable learners Phonics Training for all KS1 staff Improve maths progress across KS2 Ensure effective use of TA support across the school Attendance
Curriculum	Meet statutory guidance for RSE RE – Review RE curriculum New maths scheme New PSHE scheme Continue to develop pupils' ability to manage on-line safety issues Continue to improve pupils' understanding of healthy relationships in order to keep themselves safe Maintain breadth and range of the curriculum providing high quality learning opportunities in all foundation subjects.
Buildings/premises	Priority – ICT infrastructure – new staff laptops and upgrade Wi-Fi Accessibility – adjust environment and systems as needed
Finance	Annual Audit and Governor's report
Extended schools / community	Continue range of extra-curricular activities Continue to build parish links Continue work with Friends of Saint Edmund's

Action plans needed within this document to ensure the above priorities are met:

- Leadership and Management
- Teaching and Learning
- Separate action plans for each of Maths, English, ICT, Assessment
- RE/Catholicity
- Finance Plan
- Safeguarding

Saint Edmund's Catholic Academy

Report of the Trustees
for the Year Ended 31 August 2020

Public Benefit

The Trustees have considered the Charity Commission's guidance on public benefit. The key public benefit delivered by Saint Edmund's Catholic Primary School is the maintenance and development of the high quality Catholic education provided by the School, for over 40 years, to the young people of Saint Edmund's Parish and surrounding area

STRATEGIC REPORT

Achievement and performance
Key Performance Indicators

Analysis of Results 2019

EYFS

GLD 74%

ELG:

Reading 74% Writing 74% Maths 78%

Attainment:

Reading Below: 26% Expected: 74% Above: 26%

Writing Below: 26% Expected: 74% Above: 15%

Maths (number) Below: 22% Expected: 78% Above: 22%

(Shape, space, measure) Below: 22% Expected: 78% Above: 22%

Year 1

Phonic screening 36%

KS1

Subject	Percentage of pupils achieving the expected standard: school (2019)	Percentage of pupils achieving the expected standard: nationally (2018) ¹
English reading	71%	76%
English writing	71%	68%
Mathematics	72%	75%

Subject	Percentage of pupils achieving greater depth: school (2019)	Percentage of pupils achieving greater depth nationally (2018) ²
English reading	25%	24%
English writing	14%	14%
Mathematics	25%	18%

Saint Edmund's Catholic Academy

Report of the Trustees
for the Year Ended 31 August 2020

KS2

Context

	School			National
	2017	2018	2019	
Reading	76%	79.3%	73%	73%
SP&G	72%	82.7%	73%	78%
Maths	76%	72.4%	73%	79%
R+W+M	72%	69%	69%	65%
Writing	86%	83%	77%	78%

There were 26 children in Year 6, 26 children took part in the 2019 Key Stage 2 National Curriculum Standard Assessment Tasks and Tests (SATs).

Gender: 10 were boys and 16 were girls.

Average Scaled Scores were as follows:

Test	School		National
	2018	2019	
Reading	107	106	104
Mathematics	105	104	105
GPS	107	108	106

The average of scaled scores for Saint Edmund's is 106

This is above the national average which is 105

"Expected" results

In 2019 Saint Edmund's has fallen on the 2018 test scores for English and has maintained the level in maths and combined. The RWM is higher than National. Reading and Writing are in line with National scores.

"Exceeding" results.

	Achieving a high standard (110+)		National (2019)
	2018	2019	
Reading	41%	27%	27%
SP&G	45%	15%	36%
Maths	24%	15%	27%
Writing	34%	19%	20%
R+W+M	21%	7%	11%

All exceeding data is lower than 2018 and below National Average with the exception of Writing.

Going Concern

After making appropriate enquiries the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Saint Edmund's Catholic Academy

Report of the Trustees
for the Year Ended 31 August 2020

Financial Review

Most of the Academy's income is obtained from the Government in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the Government during the year ended 31 August 2020 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the year ended 31 August 2020, total expenditure of £1,000,295 was covered by recurrent grant funding from the EFA together with other incoming resources. The excess of expenditure over income for the year was £77,017.

The deficit on the local government pension scheme increased from £336,000 to £366,000. As an Academy school the Trustees cannot withdraw from the scheme.

At 31 August 2020 the net book value of fixed assets was £416,256 and movements in tangible fixed assets are shown in note 11 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

How expenditure in the year has supported the key objectives:

Most planning and expenditure last year has been aimed at achieving good progress and pupil outcomes. In 2019/20 we have purchased new laptops for staff use.

Reserves and investments policies

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 have determined that the appropriate level of free reserves should be within the range of 2 to 5% of total annual income. The school is comfortably within this range. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is approximately £81,000. This high level of reserves is as a result of cost focus, to meet the requirements for education and learning for future years, and to support plans for the new substantive head teacher starting in September 2020.

The Academy will not normally be making investments with annual revenue. This money is intended for using for the benefit of current pupils. Occasionally money will be saved for larger projects, but it is deemed prudent not to make investments other than seeking the best interest rate available.

Principal Risks and Uncertainties

A thorough risk audit has been carried out by the Board of Trustees. All such risks are deemed to have appropriate controls and to be within acceptable limits.

In addition, a full cash flow analysis has been carried out and shows that funds are available throughout the year to manage the school's finances and meet priorities.

Future funding is assured with conservative projections of pupil numbers and sources of funding from the DFE.

The trustees will continue to monitor the financial and educational impact of COVID 19.

Saint Edmund's Catholic Academy

Report of the Trustees
for the Year Ended 31 August 2020

Plans for Future Periods

Key Priorities 2020/21

Area	Actions
Teaching and Learning	Assessment analysis and moderation of outcomes Develop priorities from monitoring in all areas Develop consistent and systematic phonics teaching across school Develop effective blended learning in order to ensure access to curriculum through remote learning Address gaps and support progress of disadvantaged children through tuition Audit for next 3 year plan Attendance in line with national average
Curriculum	Audit for next 3 year plan Ensure a broad and balanced curriculum is being delivered which meets needs and raises aspirations of local community Ensure phonics and reading are embedded across the school, promoting a love for reading Review the outdoor curriculum
Buildings/premises	Develop school grounds for outdoor learning space area ICT renewal - Server Audit for next 3 year plan Accessibility – review provision with community
Finance	Audit for next 3 year plan Annual audit and Governor's report
Extended schools / community	Continue range of extra-curricular activities, particularly competitive sport Strengthen reputation of Saint Edmund's throughout the community with increased presence in local and regional events Audit for next 3 year plan – use school Council and consult parents Plan parent workshops as necessary

Funds held as Custodian Trustee on behalf of others

There are no funds held for other organisations

Saint Edmund's Catholic Academy

Report of the Trustees
for the Year Ended 31 August 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's memorandum and articles of association are the primary governing documents of the Academy Trust.

The Trustees of Saint Edmund's Catholic Academy are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Saint Edmund's Catholic Primary School.

Details of the Trustees who served throughout the year except as noted are included in the Reference and Administrative Details on page 1.

Method of Recruitment and Appointment or Election of Trustees

Subject to Articles 48-49 and 64, the Articles of Association the Academy Trust shall have the following Trustees:

- a. 9 Foundation Trustees, appointed under Article 50
- b. 2 Staff Trustees, appointed under Article 50A;
- c. 0 Trustees, appointed under Article 51;
- d. 2 Parent Trustees elected or appointed under Articles 53-58;
- e. The Principal;
- f. Any Additional Trustees, if appointed under Article 62, 62A or 6 8 A; and
- g. Any Further Trustees, if appointed under Article 63 or Article 68A;

The Academy Trust may also have any Co-opted Trustee appointed under Article 59. Future Trustees shall be appointed or elected, as the case may be, under these Articles.

Appointment of Trustees

The Diocesan Bishop following any recommendation from the Diocesan Education Trustees may appoint the 9 Foundation Trustees 1 of whom at least shall be eligible for election or appointment as Parent Trustees.

The Board of Trustees may appoint the Staff Trustees through such process as they may determine, provided that the total number of Trustees (including the Principal) who are employees of the Academy Trust does not exceed one third of the total number of Trustees and Article 58A shall apply.

The Board of Trustees may appoint 15 Trustees, provided that to avoid any doubt the number of Foundation Trustees shall exceed the total number of Trustees appointed under this Article 51, Staff Trustees, the Principal and Parent Trustees together by at least two. The Principal shall be treated for all purposes as being an ex officio Governor.

Subject to Article 57, the Parent Trustees shall be elected by parents of registered pupils at the Academy. A Parent Trustee must be a parent of a pupil at the Academy at the time when he is elected.

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

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

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

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

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

There is ongoing trustee recruitment activity as the school currently has 5 foundation governor vacancies.

Saint Edmund's Catholic Academy

Report of the Trustees **for the Year Ended 31 August 2020**

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

Co-opted Trustees

The Trustees may appoint up to 3 Co-opted Trustees provided that if any such Trustees are appointed the number of Foundation Trustees permitted by Articles 46 and 50 shall increase proportionately to ensure that a majority of Trustees are Foundation Trustees by at least two. A 'Co-opted Trustee' means a person who is appointed to be a Trustee by being Co-opted by Trustees who have not themselves been so appointed. The Trustees may not co-opt an employee of the Academy Trust as a Co-opted Trustee if thereby the number of Trustees who are employees of the Academy Trust would exceed one third of the total number of Trustees (including the Principal).

Policies and Procedures Adopted for the Induction and Training of Trustees

New Trustees should:

- Meet with the Headteacher and/or the Chair of Trustees
- Read the contents of the "New Trustees Induction File"
- Attend a "New Trustees" induction course provided by WC
- Select a class to support and arrange a visit
- Join a committee as determined by Trustees

Organisational Structure

A unified management structure is in place to help improve the way the Academy is run. The structure now consists of three levels: The Trustees, the Senior Managers and the Management Team. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy by the use of budgets and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments. The Headteacher is the Chief Executive Officer (CEO) and "exofacial" Trustee.

The Senior Managers up to 31st August were the Seconded Headteacher and the Assistant Head and a Senior Teacher. These managers control the Academy at an executive level implementing the policies laid down by the Trustees and reporting back to them. The Headteacher is the accounting officer and is responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment boards for posts in the Senior Management Team always contain a Trustee. Some spending control is devolved to members of the Management Team which a Senior Manager must countersign.

The Management Team includes the Senior Management, Curriculum Area Managers and the Office/ Finance Manager. These Managers are responsible for the day to day operation of the Academy, in particular organising the teaching staff, facilities and students. The AHT and Office/ Finance Manager are responsible for the day to day management of support staff.

Arrangements for setting the pay and remuneration of key management personnel

Pay progression is subject to a review of performance taking into account performance objectives and the requirements required of a member of staff appointed on the leadership range. The governing body has discretion to move a member of staff on the leadership range by more than one reference point (to a maximum of two). Annual pay progression within the range for the post is not automatic. The governing body will consider whether to award one or two pay progression points.

Saint Edmund's Catholic Academy

Report of the Trustees
for the Year Ended 31 August 2020

Risk Management

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances. The Trustees have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains, they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail in later sections.

Connected Organisations, including Related Party Relationships

Saint Edmund's Catholic Academy Trust Limited is a part of the Clifton Diocese Umbrella Trust which is overseen by Trust Members.

The Members of the Academy Trust shall comprise

- a. the signatories to the Memorandum who shall have been appointed by the Diocesan Bishop
- b. the Diocesan Education Trustees;
- c. the Diocesan Bishop
- d. 1 person appointed by the Secretary of State, (in the event that the Secretary of State appoints a person for this purpose)
- e. the chairman of the Trustees; and
- f. any person appointed under Article 16 of the Academy Funding Agreement

Members' Liability

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

Trustees' Indemnities

There were no qualifying third party indemnity provisions this year.

AUDITORS

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

The auditors, MHA Monahans, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 23 November 2020 and signed on the board's behalf by:



R Swan - Trustee

Saint Edmund's Catholic Academy

Governance Statement
for the Year Ended 31 August 2020

Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Saint Edmund's Catholic Academy 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 of loss.

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

The board of the trustees has delegated the day-to-day responsibility to the Principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Saint Edmund's Catholic Academy and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Report of the Trustees and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 8 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
Mr R Swan	8	8
Mrs V Hood	8	8
Mr A Tarrant	5	8
Mrs G Pickford	8	8
Capt C McMillan	7	8
Mr I Rodgers	7	7
Mrs H Bridges (Staff Governor)	8	8
Mrs K Moore (Seconded Headteacher)	8	8

The Finance and Audit Committee is a committee of the main Board of Trustees. Attendance during the year at meetings of the committee was as follows:

Trustee	Meetings Attended	Out of a Possible
Mr R Swan	4	4
Capt C McMillan	2	4
Mrs K Moore	4	4

Review of Value for Money

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

Saint Edmund's Catholic Academy

Governance Statement **for the Year Ended 31 August 2020**

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

- Ensuring that the budget allocation is managed effectively
- Employing skilled teachers and teaching assistants
- Ensuring that teaching staff are given opportunities for professional development in line with their responsibilities, to support them in the best provision for their pupils. All teachers have attended meetings and courses related to their subject leadership roles.
- Monitoring and reviewing teaching and learning throughout the year in order to identify areas of development and improvement for the best outcomes for pupils
- Engaging a Challenge and Support Partner (CASP) from Wiltshire LA for guidance and support as to how the school can continue to move forward
- Employing a Parent Support Advisor who can engage with parents who are difficult to reach, or who have specific needs, thereby improving the outcomes for their children
- Purchasing resources judiciously in order that teachers and students have the materials they need for teaching and learning. This includes books and stationery, art resources and PE equipment.
- Using the Sports Premium funding to employ sports coaches throughout the year who have supported teachers in delivering the PE curriculum, as well as providing lunchtime and after school activities.
- Ensuring that the school site is maintained and that repairs are carried out in a timely fashion
- Carrying out regular reviews of provision in all areas in order to identify areas for development and improvement

Improving Educational Results

In September 2018 the Academy had an OFSTED inspection. The school was judged to be Requiring Improvement: Achievement of pupils – Requires Improvement

Quality of Teaching – Requires Improvement

Behaviour and Safety of pupils – Requires Improvement

Leadership and Management – Requires Improvement

In 2017 the Academy had a Section 48 Diocesan Inspection. The school was judged to be OUTSTANDING.

Overall effectiveness of this Catholic school – Outstanding

Outcomes for pupils (all groups) – Outstanding

Effectiveness of leaders and managers in developing the Catholic life of the school – Outstanding

Effectiveness of Catholic provision – Outstanding

Academic results since the inspection are in line with/above the inspection judgments. However, since the 2 years of support for St Joseph's, and following significant changes in senior leadership, Saint Edmund's has been building leadership capacity developing the skills of the SLT (made up of 2 Assistant Heads and 1 TLR senior teacher) in being able to continue to drive improvement of standards. Attainment has fallen and there needs to be continued focus on improving the progress of vulnerable learners.

Progress in maths (and other core subjects) across the school is an Appraisal objective for all staff this year.

Maintaining good progress for pupil's premium children remains a priority. There is a continuing focus on RE and prayer life

Collaboration

Saint Edmund's Catholic Academy is part of the Diocese of Clifton which operates as an Umbrella Trust for Catholic Academies. The Head Teacher was a co-opted member of the Education Committee overseeing the development, quality/standards, ethos and resources of the Diocese.

The school is part of the Wiltshire Catholic Partnership. This partnership of twelve schools clustered around St Augustine's Catholic College works collaboratively to share best practice. This includes shared INSET days, moderation meetings, procurement rationalisation, Head Teacher Partnerships as part of the early stages of peer review.

The school is also part of the Calne Cluster of schools which meet regularly. There is a Head Teacher group as well as other leadership meetings. The cluster has collaborated to provide high quality 'Parent Partnership' work in every school which has enabled us to support 'hard to reach' families, support them directly and signpost to other services. A whole range of mutually supportive activities take place including moderation of literacy/numeracy across the cluster.

Saint Edmund's Catholic Academy

Governance Statement
for the Year Ended 31 August 2020

Better Purchasing

All contract providers are regularly listed for Governors and an appraisal of their performance for the school is undertaken.

During the year a number of contracts were re-negotiated to provide quality service at a reasonable cost. These included:

- CASP support
- Cleaning contract
- Grounds Maintenance

Last year we reviewed:

- ICT support
- IA support

A benchmarking exercise has been undertaken against other Academy Trusts.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of charitable company policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Saint Edmund's Catholic Academy for the period 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 charitable company is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is an appropriate formal on-going process for identifying, evaluating and managing the charitable company's significant risks that has been in place for the period 1 September 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.

Statement on Internal Control

In addition, the trustees have considered the guidance for directors of public listed companies contained within the Turnbull Report. They believe that although it is not mandatory for the Academy it should, as a publicly funded body, adopt these guidelines as best practice. Accordingly they have set policies on internal controls which cover the following:

- the type of risks the Academy faces;
- the level of risks which they regard as acceptable;
- the likelihood of the risks materialising;
- the Academy's ability to reduce the incidence and impact on the Academy's operations of risks that do materialise;
- the costs of operating particular controls relative to the benefits obtained;
- clarified the responsibility of the Management Team to implement the Trustees'
- policies and to identify and evaluate risks for the Trustees' consideration;
- explained to employees that they have responsibility for internal control as part of their accountability for achieving objectives;
- embedded the control system in the Academy's operations so that it becomes part of the culture of the Academy;
- developed systems to respond quickly to evolving risks arising from factors within the Academy and to changes in the external environment; and
- included procedures for reporting failings immediately to appropriate levels of management and the Trustees together with details of corrective action being undertaken.

The Trustees have considered the need for a specific internal audit function and have decided not to appoint an internal auditor. As permitted by the ESFA Financial Handbook for Academies, the Responsible Officer audit 'tasks' have been outsourced to Financial Services for Schools. On a quarterly basis the external auditors report to the Board of Trustees on the operation of the systems of control and on the discharge of the RO's financial responsibilities.

These arrangements can provide only reasonable and not absolute assurance that assets are safeguarded, transactions are authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected within a timely period.

Saint Edmund's Catholic Academy

Governance Statement
for the Year Ended 31 August 2020

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is an appropriate formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ending 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 Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

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

(See Statement of Internal Control in earlier section). The Board of Trustees has considered the need for a specific internal audit function and decided to appoint an external Responsible Officer to provide written reports and recommendations twice each year.

Review of Effectiveness

As Accounting Officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

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

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

In particular, it was identified that the Trust did not follow the requirements of the Financial Handbook in relation to related party transactions. The Trust paid £74,284 to St Mary's Catholic Primary School, for a seconded headteacher. Mr A Tarrant is the headteacher of St Mary's Catholic Primary School and a Trustee. The Trust did not follow the requirements of the Financial Handbook in relation to related party transactions, as it assumed the cost as salary cost rather than goods and services.

Approved by order of the members of the board of trustees on 23 November 2020 and signed on its behalf by:



R Swan - Trustee



Mrs Louise Brown - Accounting Officer

Saint Edmund's Catholic Academy

Statement on Regularity, Propriety and Compliance
for the Year Ended 31 August 2020

As accounting officer of Saint Edmund's Catholic Academy, I have considered my responsibility to notify the charitable company board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the charitable company, under the funding agreement in place between the charitable company and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

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

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

As disclosed in Note 20, the Trust paid £74,284 to St Mary's Catholic Primary School, for a seconded headteacher. Mr A Tarrant is the headteacher of St Mary's Catholic Primary School and a Trustee. The Trust did not follow the requirements of the Financial Handbook in relation to related party transactions. In particular the Trust did not seek prior approval for the transaction or obtain an "open book" agreement to be able to verify that the transaction was at cost. The Trust has subsequently sought retrospective approval from the ESFA.



Mrs Louise Brown - Accounting Officer

Date: 18 December 2020

Saint Edmund's Catholic Academy

Statement of Trustees' Responsibilities
for the Year Ended 31 August 2020

The trustees (who act as governors of Saint Edmund's Catholic Academy and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with the Academies Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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.

Approved by order of the board of trustees on 23 November 2020 and signed on its behalf by:



R Swan - Trustee

**Report of the Independent Auditors to the Members of
Saint Edmund's Catholic Academy**

Opinion

We have audited the financial statements of Saint Edmund's Catholic Academy (the 'charitable company') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency (ESFA).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland';
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2019 to 2020.

Basis for opinion

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

Conclusions relating to going concern

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

- 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 charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Report of the Independent Auditors to the Members of
Saint Edmund's Catholic Academy

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

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

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

Use of our report

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



James Gare (Senior Statutory Auditor)
for and on behalf of MHA Monahans
Statutory Auditor
Chartered Accountants
Fortescue House
Court Street
Trowbridge
Wiltshire
BA14 8FA

Date: 15 January 2021

**Independent Reporting Accountant's Assurance Report on Regularity to
Saint Edmund's Catholic Academy and the Education and Skills Funding Agency**

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

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

Respective responsibilities of Saint Edmund's Catholic Academy's accounting officer and the reporting accountant

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

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

Approach

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

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

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

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

In planning and conducting our work we had due regard to professional guidance, including the Academies Accounts Direction 2019 to 2020. The work undertaken to draw to our conclusion, includes, but is not limited to:

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

**Independent Reporting Accountant's Assurance Report on Regularity to
Saint Edmund's Catholic Academy and the Education and Skills Funding Agency**

Conclusion

In the course of our work, except for the matter listed below, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 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.

- As outlined in the Governance Statement and the Statement of Regularity, Propriety and Compliance, the Trust did not follow the requirements of the Financial Handbook relating to related party transactions.

MHA Monahans

MHA Monahans
Chartered Accountants
Fortescue House
Court Street
Trowbridge
Wiltshire
BA14 8FA

Date: 15 January 2021

Saint Edmund's Catholic Academy

**Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 August 2020**

					2020	2019
	Notes	Unrestricted funds £	Restricted funds £	Fixed Asset Fund £	Total funds £	Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and capital grants	2	3,834	-	6,228	10,062	21,454
Charitable activities						
Funding for the academy's educational operations	3	10,849	882,009	-	892,858	879,932
Other trading activities	4	20,358	-	-	20,358	29,052
Total		35,041	882,009	6,228	923,278	930,438
EXPENDITURE ON Charitable activities						
Academy's educational operations	3	26,877	960,177	13,241	1,000,295	972,051
Total	5	26,877	960,177	13,241	1,000,295	972,051
NET INCOME/(EXPENDITURE)		8,164	(78,168)	(7,013)	(77,017)	(41,613)
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit schemes		-	70,000	-	70,000	(121,000)
Net movement in funds		8,164	(8,168)	(7,013)	(7,017)	(162,613)
RECONCILIATION OF FUNDS						
Total funds brought forward		73,045	(319,817)	428,720	181,948	344,561
TOTAL FUNDS CARRIED FORWARD		<u>81,209</u>	<u>(327,985)</u>	<u>421,707</u>	<u>174,931</u>	<u>181,948</u>

Saint Edmund's Catholic Academy (Registered number: 7733864)

Balance Sheet
31 August 2020

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible assets	11	416,256	424,047
CURRENT ASSETS			
Stocks	12	606	715
Debtors	13	17,619	28,332
Cash at bank		<u>162,826</u>	<u>127,834</u>
		181,051	156,881
CREDITORS			
Amounts falling due within one year	14	<u>(56,376)</u>	<u>(62,980)</u>
NET CURRENT ASSETS		<u>124,675</u>	<u>93,901</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		540,931	517,948
PENSION LIABILITY	19	<u>(366,000)</u>	<u>(336,000)</u>
NET ASSETS		<u>174,931</u>	<u>181,948</u>
FUNDS	18		
Unrestricted funds:			
General fund		75,237	67,313
School Fund		<u>5,972</u>	<u>5,732</u>
		81,209	73,045
Restricted funds:			
General Annual Grant (GAG)		27,167	-
Other DfE/ EFSA Grants		10,848	16,183
Pension Reserve		(366,000)	(336,000)
Restricted fixed asset fund		<u>421,707</u>	<u>428,720</u>
		<u>93,722</u>	<u>108,903</u>
TOTAL FUNDS		<u>174,931</u>	<u>181,948</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 23 November 2020 and were signed on its behalf by:



R Swan - Trustee



L Brown - Trustee

Saint Edmund's Catholic Academy

Cash Flow Statement
for the Year Ended 31 August 2020

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	21	<u>34,214</u>	<u>5,353</u>
Net cash provided by operating activities		<u>34,214</u>	<u>5,353</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(5,450)	(5,424)
Capital grants from DfE/EFA		<u>6,228</u>	<u>15,959</u>
Net cash provided by investing activities		<u>778</u>	<u>10,535</u>
Change in cash and cash equivalents in the reporting period		34,992	15,888
Cash and cash equivalents at the beginning of the reporting period		<u>127,834</u>	<u>111,946</u>
Cash and cash equivalents at the end of the reporting period		<u>162,826</u>	<u>127,834</u>

Saint Edmund's Catholic Academy

Notes to the Financial Statements for the Year Ended 31 August 2020

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2019 to 2020 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Saint Edmund's Catholic Academy meets the definition of a public benefit entity under FRS 102.

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 one year from the date of approval of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Critical accounting judgements and key sources of estimation uncertainty

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

Critical accounting estimates and assumptions

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

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

Critical areas of judgement

There are no critical areas of judgement.

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 period is deducted from income and recognised as a liability.

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

Donations

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

Saint Edmund's Catholic Academy

Notes to the Financial Statements - continued
for the Year Ended 31 August 2020

1. ACCOUNTING POLICIES - continued

Other income

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

Donated goods, facilities and services

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

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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular heading they have been allocated to activities on a basis consistent with the use of resources.

Charitable activities

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

Governance costs

These include the costs attributable to the Academy's compliance with constitutional and statutory requirements, including audit, strategic management and Trustees' meetings and reimbursed expenses.

Tangible fixed assets

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding 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.

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

Freehold Buildings	50 years straight line
Fixtures, fittings and equipment	5-10 years straight line
ICT equipment	3-10 years straight line

Properties are divided into major components and charged depreciation as to write down the cost of each component to its estimated residual value, on a straight-line basis, over its estimated economic life. The Trust depreciates the major components of its properties at the following rates:

Roof structure	70 years
Windows and External Doors	10 years
Boilers	15 years
Bathrooms	20 years
Kitchen's	30 years
Mechanical systems	30 years
Electrics	40 years

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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

Saint Edmund's Catholic Academy

Notes to the Financial Statements - continued
for the Year Ended 31 August 2020

1. ACCOUNTING POLICIES - continued

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

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

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

Fund accounting

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

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

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

Liabilities

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

Provisions

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

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

Hire purchase and leasing commitments

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

Financial Instruments

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

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

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

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

Pension costs and other post-retirement benefits

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

Saint Edmund's Catholic Academy

Notes to the Financial Statements - continued
for the Year Ended 31 August 2020

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

2. DONATIONS AND CAPITAL GRANTS

	Unrestricted funds	Restricted funds	2020 Total funds £	2019 Total funds £
Donations	3,834	-	3,834	5,495
Grants	-	6,228	6,228	15,959
	<u>3,834</u>	<u>6,228</u>	<u>10,062</u>	<u>21,454</u>

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

	2020 £	2019 £
Devolved Formula Capital	<u>6,228</u>	<u>15,959</u>

3. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds	Restricted funds	2020 Total funds £	2019 Total funds £
Catering income	10,849	-	10,849	17,358
Grants	-	882,009	882,009	862,574
	<u>10,849</u>	<u>882,009</u>	<u>892,858</u>	<u>879,932</u>

An analysis of grants received is given below:

	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
DfE/ESFA revenue grant				
General Annual Grant(GAG)	-	732,621	732,621	745,489
Other DfE/ EFSA Grant	-	136,560	136,560	109,917
	-	869,181	869,181	855,406

Saint Edmund's Catholic Academy

Notes to the Financial Statements - continued
for the Year Ended 31 August 2020

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

	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
Other government grant				
Local Authority Grants	-	12,828	12,828	6,566
	<u>-</u>	<u>882,009</u>	<u>882,009</u>	<u>861,972</u>

4. OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
Music Lessons	743	-	743	4,631
Other	8,995	-	8,995	10,603
Before/ After school clubs	10,620	-	10,620	13,818
	<u>20,358</u>	<u>-</u>	<u>20,358</u>	<u>29,052</u>

5. EXPENDITURE

	Non-pay expenditure			2020	2019
	Staff costs £	Premises £	Other costs £	Total £	Total £
Charitable activities					
Academy's educational operations					
Direct costs	564,636	4,239	63,406	632,281	644,453
Allocated support costs	238,000	57,398	72,616	368,014	327,598
	<u>802,636</u>	<u>61,637</u>	<u>136,022</u>	<u>1,000,295</u>	<u>972,051</u>

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

	2020 £	2019 £
Auditors' remuneration	6,300	6,330
Other non-audit services	1,990	1,735
Depreciation - owned assets	13,241	23,823
Other operating leases	2,174	1,866

6. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
Direct costs	-	632,281	632,281	644,453
Support costs	26,877	341,137	368,014	327,598
	<u>26,877</u>	<u>973,418</u>	<u>1,000,295</u>	<u>972,051</u>

Saint Edmund's Catholic Academy

Notes to the Financial Statements - continued
for the Year Ended 31 August 2020

6. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS - continued

	2020 Total £	2019 Total £
Analysis of support costs		
Support staff costs	238,000	165,747
Depreciation	9,002	19,584
Technology costs	8,122	13,623
Premises costs	37,131	43,183
Other support costs	47,202	56,903
Governance costs	<u>28,557</u>	<u>28,558</u>
Total support costs	<u>368,014</u>	<u>327,598</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff, and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as trustees.

The value of trustees' remuneration was as follows:

Mrs H Bridges, staff trustee

Remuneration: £40,000- £45,000 (February 2019 to August 2019: £20,000 - £25,000)

Employer's pension contributions : £10,000 - £15,000 (February 2019 to August 2019: £0 - £5,000)

Trustees' expenses

During the year ended 31 August 2020 expenses totalling £nil (2019 £nil) were reimbursed to trustees. Related party transactions involving the trustees are set out in note 20.

8. STAFF COSTS

	2020 £	2019 £
Wages and salaries	481,271	503,559
Social security costs	33,305	37,555
Operating costs of defined benefit pension schemes	<u>210,943</u>	<u>121,104</u>
	725,519	662,218
Supply teacher costs	<u>77,117</u>	<u>96,095</u>
	<u>802,636</u>	<u>758,313</u>

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

	2020	2019
Teachers	7	6
Administration and support	23	23
Management	<u>3</u>	<u>3</u>
	<u>33</u>	<u>32</u>

No employees received emoluments in excess of £60,000.

The average number of persons employed by the Academy expressed as full time equivalents, during the year was:

	2020 Number	2019 Number
Teachers	5	5
Administration and support	11	10
Management	<u>3</u>	<u>3</u>
	<u>19</u>	<u>18</u>

Saint Edmund's Catholic Academy

Notes to the Financial Statements - continued
for the Year Ended 31 August 2020

8. STAFF COSTS - continued

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £140,565 (2019: £148,147).

9. TRUSTEES' AND OFFICERS' INSURANCE

The charitable company has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Fixed Asset Fund £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and capital grants	5,495	-	15,959	21,454
Charitable activities				
Funding for the academy's educational operations	17,358	862,574	-	879,932
Other trading activities	<u>29,052</u>	<u>-</u>	<u>-</u>	<u>29,052</u>
Total	51,905	862,574	15,959	930,438
EXPENDITURE ON				
Charitable activities				
Academy's educational operations	33,168	915,061	23,822	972,051
Total	<u>33,168</u>	<u>915,061</u>	<u>23,822</u>	<u>972,051</u>
NET INCOME/(EXPENDITURE)	18,737	(52,487)	(7,863)	(41,613)
Transfers between funds	<u>(18,509)</u>	<u>27,279</u>	<u>(8,770)</u>	<u>-</u>
Other recognised gains/(losses)				
Actuarial gains/(losses) on defined benefit schemes	<u>-</u>	<u>(121,000)</u>	<u>-</u>	<u>(121,000)</u>
Net movement in funds	228	(146,208)	(16,633)	(162,613)
RECONCILIATION OF FUNDS				
Total funds brought forward	<u>72,817</u>	<u>(173,609)</u>	<u>445,353</u>	<u>344,561</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>73,045</u></u>	<u><u>(319,817)</u></u>	<u><u>428,720</u></u>	<u><u>181,948</u></u>

Saint Edmund's Catholic Academy

Notes to the Financial Statements - continued
for the Year Ended 31 August 2020

11. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 September 2019	439,243	146,025	24,790	610,058
Additions	-	-	5,450	5,450
At 31 August 2020	<u>439,243</u>	<u>146,025</u>	<u>30,240</u>	<u>615,508</u>
DEPRECIATION				
At 1 September 2019	31,001	138,330	16,680	186,011
Charge for year	<u>4,239</u>	<u>3,984</u>	<u>5,018</u>	<u>13,241</u>
At 31 August 2020	<u>35,240</u>	<u>142,314</u>	<u>21,698</u>	<u>199,252</u>
NET BOOK VALUE				
At 31 August 2020	<u>404,003</u>	<u>3,711</u>	<u>8,542</u>	<u>416,256</u>
At 31 August 2019	<u>408,242</u>	<u>7,695</u>	<u>8,110</u>	<u>424,047</u>

Included in cost or valuation of land and buildings is freehold land of £227,297 (2019 - £227,297) which is not depreciated.

Land and buildings contains the caretakers house, a plot of land owned by the Trust and various site improvements. Freehold land of £227,297 is not depreciated. The land and buildings occupied by the Trust, but owned by the Clifton Catholic Diocese have been excluded.

12. STOCKS

	2020 £	2019 £
Stocks	<u>606</u>	<u>715</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
VAT	2,927	6,377
Prepayments	11,108	16,155
Accrued income	<u>3,584</u>	<u>5,800</u>
	<u>17,619</u>	<u>28,332</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade creditors	-	13,937
Social security and other taxes	20,852	21,837
Accrued expenses	15,034	7,550
Deferred government grants	<u>20,490</u>	<u>19,656</u>
	<u>56,376</u>	<u>62,980</u>

Included within accruals and deferred income is £14,913 free school meals deferred income, £5,077 pupil premium deferred income and £500 other deferred income (2019: £15,805 free school meals deferred income and £3,851 NPA deferred income).

Saint Edmund's Catholic Academy

Notes to the Financial Statements - continued
for the Year Ended 31 August 2020

15. LEASING AGREEMENTS

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

	2020	2019
	£	£
Within one year	1,306	888
Between one and five years	<u>2,938</u>	<u>-</u>
	<u>4,244</u>	<u>888</u>

16. MEMBERS' LIABILITY

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

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	Fixed Asset Fund	2020 Total funds
	£	£	£	£
Fixed assets	-	-	416,256	416,256
Current assets	81,209	94,391	5,451	181,051
Current liabilities	-	(56,376)	-	(56,376)
Pension liability	-	(366,000)	-	(366,000)
	<u>81,209</u>	<u>(327,985)</u>	<u>421,707</u>	<u>174,931</u>

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

	Unrestricted funds	Restricted funds	Fixed Asset Fund	2019 Total funds
	£	£	£	£
Fixed assets	-	-	424,047	424,047
Current assets	74,045	78,163	4,673	156,881
Current liabilities	(1,000)	(61,980)	-	(62,980)
Pension liability	-	(336,000)	-	(336,000)
	<u>73,045</u>	<u>(319,817)</u>	<u>428,720</u>	<u>181,948</u>

Saint Edmund's Catholic Academy

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2020**

18. MOVEMENT IN FUNDS

	At 1.9.19 £	Net movement in funds £	At 31.8.20 £
Unrestricted funds			
General fund	67,313	7,924	75,237
School Fund	<u>5,732</u>	<u>240</u>	<u>5,972</u>
	73,045	8,164	81,209
Restricted funds			
General Annual Grant (GAG)	-	27,167	27,167
Other DfE/ EFSA Grants	16,183	(5,335)	10,848
Pension Reserve	(336,000)	(30,000)	(366,000)
Restricted fixed asset fund	<u>428,720</u>	<u>(7,013)</u>	<u>421,707</u>
	<u>108,903</u>	<u>(15,181)</u>	<u>93,722</u>
TOTAL FUNDS	<u>181,948</u>	<u>(7,017)</u>	<u>174,931</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	34,204	(26,280)	-	7,924
School Fund	<u>837</u>	<u>(597)</u>	-	<u>240</u>
	35,041	(26,877)	-	8,164
Restricted funds				
General Annual Grant (GAG)	732,621	(705,454)	-	27,167
Other DfE/ EFSA Grants	136,560	(141,895)	-	(5,335)
Other Grants	12,828	(12,828)	-	-
Pension Reserve	-	(100,000)	70,000	(30,000)
Restricted fixed asset fund	<u>6,228</u>	<u>(13,241)</u>	-	<u>(7,013)</u>
	<u>888,237</u>	<u>(973,418)</u>	<u>70,000</u>	<u>(15,181)</u>
TOTAL FUNDS	<u>923,278</u>	<u>(1,000,295)</u>	<u>70,000</u>	<u>(7,017)</u>

Comparatives for movement in funds

	At 1.9.18 £	Net movement in funds £	Transfers between funds £	At 31.8.19 £
Unrestricted funds				
General fund	67,473	18,349	(18,509)	67,313
School Fund	<u>5,344</u>	<u>388</u>	-	<u>5,732</u>
	72,817	18,737	(18,509)	73,045
Restricted funds				
General Annual Grant (GAG)	-	(27,279)	27,279	-
Other DfE/ EFSA Grants	13,391	2,792	-	16,183
Pension Reserve	(187,000)	(149,000)	-	(336,000)
Restricted fixed asset fund	<u>445,353</u>	<u>(7,863)</u>	<u>(8,770)</u>	<u>428,720</u>
	<u>271,744</u>	<u>(181,350)</u>	<u>18,509</u>	<u>108,903</u>
TOTAL FUNDS	<u>344,561</u>	<u>(162,613)</u>	-	<u>181,948</u>

Saint Edmund's Catholic Academy

Notes to the Financial Statements - continued
for the Year Ended 31 August 2020

18. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	50,907	(32,558)	-	18,349
School Fund	998	(610)	-	388
	51,905	(33,168)	-	18,737
Restricted funds				
General Annual Grant (GAG)	749,489	(776,768)	-	(27,279)
Other DfE/ EFSA Grants	106,519	(103,727)	-	2,792
Other Grants	6,566	(6,566)	-	-
Pension Reserve	-	(28,000)	(121,000)	(149,000)
Restricted fixed asset fund	15,959	(23,822)	-	(7,863)
	878,533	(938,883)	(121,000)	(181,350)
TOTAL FUNDS	<u>930,438</u>	<u>(972,051)</u>	<u>(121,000)</u>	<u>(162,613)</u>

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

General Annual Grant (GAG)- Relates to the funding provided to the academy and expenditure incurred by the academy to be spent in line with the terms of the Funding Agreement. Under the funding agreement from the Secretary of State the academy trust was not subject to a limit on the amount of GAG that it could carry forward.

Other DfE/ EFSA Grants- Relates to additional funding received in the year to be used on specific purposes.

Other Grants- Relates to monies received from Wiltshire Council for additional funding to be used on specific purposes, for example Special education needs.

Pension reserve- Relates to the academy's proportion of the Local Government Pension Scheme liability.

School Fund- This is a separate fund maintained by the school through which the Breakfast club and photograph sales and purchases are managed.

Fixed assets from other funds- Relates to value of fixed assets which carry restrictions as to their use.

19. PENSION AND SIMILAR OBLIGATIONS

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Avon Pension Fund for some schools and Wiltshire Pension Fund for others. 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.

Contributions amounting to £12,205 (2019: £11,550) were payable to the schemes and are included within creditors.

Teachers' pension scheme

Introduction

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

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

Saint Edmund's Catholic Academy

Notes to the Financial Statements - continued
for the Year Ended 31 August 2020

19. PENSION AND SIMILAR OBLIGATIONS - continued

Valuation of the teachers' pension scheme

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy). 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 pension costs paid to TPS in the period amounted to £65,299 (2019: £49,299).

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

Local government pension scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was approximately £63,000 (2019: £56,000), of which employer's contributions totalled approximately £52,000 (2019: £46,000).

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.

The amounts recognised in the Balance Sheet are as follows:

	Defined benefit pension plans	
	2020	2019
	£	£
Present value of funded obligations	(1,056,000)	(939,000)
Fair value of plan assets	690,000	603,000
	(366,000)	(336,000)
Present value of unfunded obligations	-	-
Deficit	(366,000)	(336,000)
Net liability	(366,000)	(336,000)

Saint Edmund's Catholic Academy

Notes to the Financial Statements - continued
for the Year Ended 31 August 2020

19. PENSION AND SIMILAR OBLIGATIONS - continued

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

	Defined benefit pension plans	
	2020	2019
	£	£
Current service cost	93,000	66,000
Net interest from net defined benefit asset/liability	15,000	(2,000)
Past service cost	<u>-</u>	<u>3,000</u>
	<u>108,000</u>	<u>67,000</u>
 Return on plan assets	 <u>3,000</u>	 <u>22,000</u>

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

	Defined benefit pension plans	
	2020	2019
	£	£
Opening defined benefit obligation	939,000	690,000
Current service cost	93,000	66,000
Past service cost	-	3,000
Contributions by scheme participants	11,000	10,000
Interest cost	18,000	20,000
Benefits paid	10,000	7,000
Remeasurements:		
Actuarial (gains)/losses from changes in demographic assumptions	2,000	(51,000)
Actuarial (gains)/losses from changes in financial assumptions	(8,000)	194,000
Oblig other remeasurement	<u>(9,000)</u>	<u>-</u>
	<u>1,056,000</u>	<u>939,000</u>

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

	Defined benefit pension plans	
	2020	2019
	£	£
Opening fair value of scheme assets	603,000	503,000
Contributions by employer	52,000	46,000
Contributions by scheme participants	11,000	10,000
Assets interest income	11,000	15,000
Expected return	3,000	22,000
Benefits paid	<u>10,000</u>	<u>7,000</u>
	<u>690,000</u>	<u>603,000</u>

Saint Edmund's Catholic Academy

Notes to the Financial Statements - continued
for the Year Ended 31 August 2020

19. PENSION AND SIMILAR OBLIGATIONS - continued

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

	Defined benefit pension plans	
	2020	2019
	£	£
Actuarial (gains)/losses from changes in demographic assumptions	(2,000)	51,000
Actuarial (gains)/losses from changes in financial assumptions	8,000	(194,000)
Oblig other remeasurement	<u>9,000</u>	<u>-</u>
	<u>15,000</u>	<u>(143,000)</u>

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	Defined benefit pension plans	
	2020	2019
Equities	56%	71%
Bonds	32%	14%
Property	12%	13%
Cash	<u>-</u>	<u>2%</u>
	<u>100%</u>	<u>100%</u>

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2020	2019
Discount rate	1.70%	1.80%
Future salary increases	2.60%	2.60%
Future pension increases	2.20%	2.30%

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

	At 31 August 2020	At 31 August 2019
Current pensioners		
Males	21.7 years	21.4 years
Females	24.0 years	23.7 years
Future pensioners*		
Males	22.5 years	22.3 years
Females	25.5 years	25.1 years

* Figures assume members aged 45 as at the last formal valuation date.

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

	Approximate % increase to Employer Liability	Approximate monetary amount (£000)
Change in assumption at 31 August 2020		
0.5% decrease in Real Discount Rate	13%	131
0.5% increase in the Salary Increase Rate	1%	7
0.5% increase in the Pension Increase Rate	12%	122

Saint Edmund's Catholic Academy

Notes to the Financial Statements - continued
for the Year Ended 31 August 2020

20. RELATED PARTY DISCLOSURES

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which 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 trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period.

Income Related Party Transaction

• Friends of Saint Edmunds - a charitable trust set up to advance the education of pupils within Saint Edmund's Catholic Academy.

Donations totalling £3,000 (2019: £4,000) were received.

• Jack & Jill Pre-School is a separate charity operated from a building within the grounds of Saint Edmund's Catholic Academy.

Jack & Jill Pre-School have some trustees in common with Saint Edmund's Catholic Academy.

A notional charge of £700 (2019: £700) was received during the year.

• Holy Family Catholic School, Swindon

Saint Edmund's Catholic Academy has paid Holy Family Catholic School £nil (2019: £76,301) for providing a seconded headteacher.

• St Mary's Primary School, Bath

Saint Edmund's Catholic Academy has paid St Mary's Primary School £74,284 (2019: £nil) for providing a seconded head teacher. Mr A Tarrant is a Trustee of Saint Edmund's Catholic Academy and headteacher at St Mary's Primary School.

21. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(77,017)	(41,613)
Adjustments for:		
Depreciation charges	13,241	23,823
Capital grants from DfE/ESFA	(6,228)	(15,959)
FRS102 Pension adjustment	100,000	28,000
Decrease in stocks	109	468
Decrease in debtors	10,713	1,337
(Decrease)/increase in creditors	<u>(6,604)</u>	<u>9,297</u>
Net cash provided by operations	<u>34,214</u>	<u>5,353</u>

22.. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.19 £	Cash flow £	At 31.8.20 £
Net cash			
Cash at bank and in hand	<u>127,834</u>	<u>34,992</u>	<u>162,826</u>
	<u>127,834</u>	<u>34,992</u>	<u>162,826</u>
Total	<u>127,834</u>	<u>34,992</u>	<u>162,826</u>