

Companies House

Kent  
Catholic  
Schools  
Partnership



Part of the Archdiocese of Southwark

**Annual Report and Financial  
Statements**

31 August 2020

Company Limited by Guarantee  
Registration Number  
08176019 (England and Wales)

THURSDAY



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COMPANIES HOUSE

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## Reference and administrative information

<b>Members</b>	The Most Reverend John Wilson Reverend Monsignor Matthew Dickens Paul McCallum
<b>Directors (Trustees)</b>	Marieta Brennan Reverend Philip Gilbert (resigned 16 October 2019) Julian Gizzi Dr Annabel Goodyer David Lain Dr Jane Overbury Michael Powis Geoffrey Randells Peter Ventress (resigned 28 October 2019 ) Mike Walters Clive Webster (resigned 23 September 2020) Annemarie Whittle
<b>Company Secretary</b>	Michelle Boniface
<b>Senior Management Team</b>	
Chief Executive Officer	Clive Webster (resigned 23 September 2020)
Director of Finance & HR / Acting CEO	Mark Harris
Director of School Improvement	Heather Leatt
Company Secretary & Data Protection Officer	Michelle Boniface
Accounting Officer	Clive Webster (until 23 September 2020) Mark Harris (appointed 23 September 2020)
<b>Registered address</b>	Barham Court Teston Maidstone Kent ME18 5BZ
<b>Company registration number</b>	08176019 (England and Wales)
<b>Auditor</b>	Buzzacott LLP 130 Wood Street London EC2V 6DL

## Reference and administrative information

**Bankers**      Lloyds Bank plc  
2<sup>nd</sup> Floor  
78 New Road  
Gravesend  
Kent  
DA11 0AR

**Solicitors**      Winckworth Sherwood LLP  
Minerva House  
5 Montague Close  
London  
SE1 9BB

## **Directors' report (including the strategic report) 31 August 2020**

The Directors of Kent Catholic Schools' Partnership ('the Trust' or 'the Partnership'), who are also the Directors for the purposes of charity law, present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2020. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The Trust, which is a multi-academy trust, operates nineteen primary academies and five secondary academies in Kent.

Its academies have a combined pupil capacity of 10,615 and had a roll of 9,756 in September 2019.

The financial statements have been prepared in accordance with the accounting policies set out on pages 35 to 40 of the attached financial statements and comply with the Academy's memorandum and articles of association, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Constitution**

The Kent Catholic Schools' Partnership is a company limited by guarantee and an exempt charity. The charitable company's articles of association are the primary governing document of the Trust, with a scheme of delegation setting out the responsibilities of the Trust Board and each academy's Governing Body or Academy Committee.

The Foundation Directors of Kent Catholic Schools' Partnership are appointed by the Archbishop, a Member of the company. The Members are also the Directors of a Trust established by deed dated 21 October 1927 (the deed was signed by Bishop Peter Amigo and others, and the said Trust is now known as the Roman Catholic Diocese of Southwark Diocesan Trust and is registered as a charity with the Charity Commission no. 235468). They are represented as directors of the charitable company for the purposes of company law, by the Company Secretary and the Chairman of the Board. The charitable company is known as KCSP. The number of Members shall not be less than three (3).

The Kent Catholic Schools' Partnership is a multi-academy trust (MAT) established under the Academies Act 2010, and is subject to the provisions of civil, Canon and charitable law. As a company limited by guarantee, the Trust's structure of governance is laid down in Articles of Association which may only be amended with agreement of the Members and application to the Secretary of State for Education. The Trust is accountable to the Members through its Board, which has ultimate responsibility for its management and administration.

## STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

### 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.

### Directors' Indemnities

Directors benefit from an indemnity insurance with a value of £10,000,000.

### Method of Recruitment and Appointment or Election of Directors

Directors are recommended to the Archbishop or the Directors by the Chair of the Board or the Chief Executive Officer. Foundation Directors are practicing Catholics and are appointed by the Metropolitan Archbishop of Southwark on the recommendation of the Chair of the Board. The Academy Director post is elected from amongst qualifying Chairs of Governors of Trust academies. The Principal Directors are elected from amongst qualifying Principals or Head Teachers from both primary and secondary academies in the Trust. The Directors of the Trust, excluding existing co-opted Directors, appoint co-opted Directors.

Directors	Position
Marieta Brennan	Foundation Director
Reverend Philip Gilbert	Foundation Director (resigned 16 October 2019)
Julian Gizzi	Foundation Director (Vice Chair)
Dr Annabel Goodyer	Foundation Director
David Lain	Foundation Director
Dr Jane Overbury	Foundation Director
Michael Powis	Foundation Director (Chair)
Geoffrey Randells	Foundation Director
Peter Ventress	Foundation Director (resigned 28 October 2019)
Michael Walters	Principal Director (EP) Secondary
Clive Webster	Partnership Director (until 23 September 2020)
Annemarie Whittle	Principal Director (EP) Primary

### Policies and Procedures Adopted for the Induction and Training of Directors

The Directors follow the key principles of the Charity Commission Code of Practice and seek to ensure through the governance structure that the Board complies with its requirements.

New Directors follow an induction programme and are invited to meet staff to familiarise themselves with the running of the Trust.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT** *(continued)*

### **Organisational Structure**

During this financial year the Board of Directors had four main sub-committees, the Finance and Resources Committee, the Achievement Committee, the Audit Committee and the Pay and Performance Committee. The Board of Directors are responsible and accountable for the governance of the Trust and meet at least five times a year. The Chief Executive Officer is responsible for the day to day management of the Trust.

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

The Trust has constituted a Pay and Performance Committee. This Committee is responsible for approving the decisions of the Chief Executive Officer regarding the appraisal and the salary progression of the Director of Finance and HR, the Director of School Improvement and the Company Secretary. It also acts as the appraiser for the performance of the Chief Executive Officer and is responsible for approving decisions recommended by the Chair of the Board in relation to the Chief Executive Officer's pay.

For senior management roles, progression through the grade is subject to an appropriate internal performance assessment, including formalised 1:1s and target setting. This process may also be informed by a 360 appraisal. Progression is subject to performance as assessed through the Total Contribution Pay (TCP) process and a percentage awarded for each appraisal level. The outcome of appraisal and the salary progression for these staff is subject to approval by the Pay and Performance Committee.

### **Trade Union Facility Time**

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

<b>Number of employees who were relevant union officials during the period</b>	<b>Full-time equivalent employee number</b>
8	8

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

<b>Percentage of time</b>	<b>Number of employees</b>
0%	4
1% - 50%	4

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

Total cost of facility time	£7,909
Total pay bill	£40,439,524
Percentage of the total pay bill spent on facility time	0.02%

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

Time spent on paid trade union activities as a percentage of total paid facility time hours	90.76%
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## **STRUCTURE, GOVERNANCE AND MANAGEMENT** (continued)

### **Connected Organisations including Related Party Relationships**

The Archdiocese of Southwark is the only connected organisation, with the Education Commission an appointed organisation of the Archbishop to fulfil his rights and responsibilities for Catholic schools.

### **Employee Relations**

All schools within the Trust foster strong relationships with employees. Regular staff meetings, training days and school leadership group meetings take place ensuring that all work is aligned to fulfil the vision and mission of the Trust. Across the Trust, the schools have regular briefing meetings ensuring opportunities to provide employees with information pertinent to them, their role and their performance.

The key strategic priorities of each school are developed as part of an annual self-evaluation cycle where the views of all employee stakeholders are taken into consideration. All schools share these priorities and revisit their mission statement at least once a year.

The performance of employees is key to the success of all schools and the Trust as a whole. Performance management processes ensure that all employees have specific targets that reflect the whole school priorities. All staff members are aware of the role they play in promoting the performance of pupils.

Schools across the Trust also undertake a rolling programme of staff surveys to monitor staff wellbeing.

There is a good relationship with employee representatives and the Trust has for many years operated a Joint Consultative Committee that meets termly.

### **Promotion of the Trust**

The Trust actively promotes its schools with parents through marketing and social media to be the education provider of choice both to Catholic families and also to non-catholic families looking to receive a high quality non-selective education for their children.



## **MISSION, AIM AND OBJECTIVES**

### **Our Mission**

The overarching core purpose of the Trust is:

*Increasing the number of children and young people participating in Catholic education, keeping them safe and offering all pupils the opportunity to grow in confidence and maximise their potential. We aim to make our academies not only places of outstanding learning but also places where Catholic faith is both taught and nurtured.*

### **Objectives**

The Trust Board has agreed the following strategic objectives to steer the Trust's growth, development and direction over the next three years:

- ◆ Sustain and cultivate Catholic Life as pervasive to the life and teaching of each academy and the Trust as a whole, so that our academies are places where Catholic faith is both taught and nurtured.
- ◆ Improve outcomes for all children and young people in our academies from the Early Years Foundation Stage to Key Stage 5; improving their well-being, closing the gaps between under-achieving groups and stretching our most able.
- ◆ Ensure a financially viable and sustainable multi-academy trust.
- ◆ Support and develop our people at all levels, attracting and retaining the best teachers, support staff and leaders.
- ◆ Improve leadership and governance across the Trust, building strong collegiate approaches across our academies.

## **STRATEGIC REPORT**

### **Aims and Public Benefit**

The Trust was established to preserve and foster the development of catholic education in Kent by facilitating and supporting co-operation and collaboration between the schools both in the education of the children and the young people learning in them and by driving more efficient and effective business support.

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

### **Covid-19**

The year has been impacted upon significantly by the covid-19 pandemic and the almost three-month national lockdown.

During the lockdown, nearly all schools remained open for children of key workers and vulnerable families. Pupils at home were enabled to access planned work and teachers continued to work in school or, mostly, remotely until schools returned partially in May 2020. The Directors wish to record their thanks and admiration for the way teachers and other staff have responded to this unprecedented situation and worked hard to keep children and young people learning and safe.

Schools have invested in laptops and internet dongles for staff and pupil premium students. We are also undertaking a planned rollout of Microsoft Teams for teaching in all primary schools. In the next school year, we are starting an IT review which will focus on how to learn from the experience and use of IT during the pandemic.

As a substantially government funded organisation, the majority of our funding remained guaranteed with only minimal loss of other revenue.

As such, we continued to pay all staff without use of the furlough scheme and likewise continued to pay our suppliers in accordance with government procurement policy notices ensuring that our key labour contracts such as cleaning and catering likewise, did not have to access the furlough scheme.

Whilst income remained largely unaffected, school closure and other preventative measures reduced expenditure in many areas. The net effect in purely financial terms was a slight improvement on the budgeted position and closing reserves. Educationally there are some undoubted challenges present and ahead.

**STRATEGIC REPORT** (continued)

**Pupil Achievements and School Performance**

A summary of the academic performance for KCSP academies includes:

***School Improvement – Primary***

Due to the Covid-19 pandemic, the DfE cancelled all national tests for the academic year 2019/20. No pupil progress or attainment data was collected from schools nationally and performance tables have not been published. It is therefore not possible to measure schools' performance in the usual way and to benchmark this against national indicators. However, through the programme of support and challenge and regular school improvement progress visits in the autumn and the spring, our internal assessments showed that the majority of primary schools were on track to at least match the end of Key Stage 2 performance of summer 2019, with a number expecting to post improvements including two who were benefitting from additional support.

At KS2, overall our primary schools improved the progress of disadvantaged pupils in Reading and Writing between 2017 and 2019. In 2019, in both subjects the KCSP average was above that of MATs nationally. Progress in Maths has been less strong, but the MAT average has narrowed from more than -1.0 in 2017 to -0.5 in 2019. This upward trend was expected to continue in 2020. However, the impact of the lockdown on all pupils, and particularly on the most disadvantaged, remains to be seen. Early research is showing that the attainment gap has widened considerably for disadvantaged pupils and schools will continue to ensure these pupils are a priority through our new Premium Strategy, 2020-2023.

The developments in Early Years Foundation Stage practice, with a focus on ensuring solid foundations on which to build, continues through our close links with Early Excellence. The high-quality training for Early Years Leaders has been noted by inspectors during recent inspections. Only one school now has an OFSTED rating of RI.

Over the three year period, 2017- 2019, the Good Level of Development (GLD) outcome for KCSP schools remained above national average. Internal data collected up to March 2020 indicated that this would also have been the case in 2020.

The gaps between disadvantaged pupils in Reception at Partnership schools and their non-disadvantaged peers have remained narrower than on average across Kent and England and the proportion of disadvantaged pupils expected to reach a GLD in 2020 was set to rise. It is still a concern, however, that disadvantaged pupils' performance is lower than their non-disadvantaged peers and the provision for these pupils remains a focus in our new EYFS Strategy 2020-2023.

School-to-school support and the secondment of experienced staff between Partnership schools has been successful and instrumental in securing improved outcomes for pupils. As does the continued development of our 'in-house' CPD programme offering a range of training, including courses for NQTs, mentors and NPQ leadership training. This has been further adapted to include online learning programmes and opportunities for virtual training to comply with Covid-19 restrictions.

**STRATEGIC REPORT (continued)**

**Pupil Achievements and School Performance (continued)**

***School Improvement – Primary (continued)***

The engagement of expert consultants to support our curriculum development work (one from the Primary Science Teaching Trust) has helped ensure that our subject leaders are developed and supported to drive up standards within their school's particular context. Despite the disruption caused by Covid-19, good progress has been made with the STEM strategy. Five Primary Science Ambassadors were trained by STEM Learning in the summer term of 2019 and each of the ambassadors is now leading a local Science Hub where they roll out their training to all the primary science leads.

Both St Gregory's and St Teresa's were inspected under Ofsted's new Education Inspection Framework (EIF) during academic year 2019/20. After having two previous RI judgements, St Gregory's moved from RI to Good. St Teresa's had its first inspection after conversion to academy status and maintained their good judgement.

Three primaries had successful outcomes in their denominational inspections: St Joseph's, Northfleet retained their outstanding grade, St Edward's improved from RI to good, and St Teresa's retained their good grade.

***Early Years Foundation Stage***

The developments in Early Years Foundation Stage practice, with a focus on ensuring solid foundations on which to build, continues through our close links with Early Excellence. The high-quality training for Early Years Leaders has been noted by inspectors during recent inspections. St Edward's and St Gregory's moved up from RI to good and apart from Holy Family, all other academies inspected to date have maintained their good judgement for Early Years.

Over the three-year period, 2017- 2019, the GLD outcome for KCSP academies remained above national average. Internal data collected up to March 2020 indicated that this would also have been the case in 2020.

The gaps between disadvantaged pupils in Reception at KCSP and their non-disadvantaged peers have remained narrower than on average across Kent and England and the proportion of disadvantaged pupils expected to reach a GLD in 2020 was set to rise. It is still a concern, however, that disadvantaged pupils' performance is lower than their non-disadvantaged peers and the provision for these pupils remains a focus in our new EYFS Strategy 2020-2023.

**STRATEGIC REPORT (continued)**

**Pupil Achievements and School Performance (continued)**

***Impact of KCSP Support and Challenge at Primary level***

- ◆ All KCSP primary schools remained open during lockdown for vulnerable children and the children of critical workers. From 1 June they welcomed back pupils in reception, year 1 and year 6, alongside the priority groups already invited to attend. From 1 September, all 19 of KCSP's primary schools opened for all year groups in line with government guidance. Pupils' attendance during partial, wider and full opening remains above the national average.
- ◆ The impact of school-to-school support and the secondment of experienced staff from KCSP academies has been successful and instrumental in securing improved outcomes for pupils, such as at Holy Family in Maidstone.
- ◆ During lockdown, expertise was shared across the Trust's primary schools regarding remote learning and platforms for the provision of effective online learning to ensure high quality provision is available for all pupils who need to access it.
- ◆ Towards the end of the summer term it was necessary to second two experienced headteachers to support leadership at St Richard's Dover and St Thomas' Sevenoaks due to the absence of the headteachers. These decisions were crucial to ensuring stability at both schools for staff, governors, pupils and their families.
- ◆ The Trust has continued to develop an 'in-house' CPD programme offering a range of training, including courses for NQTs, mentors and NPQ leadership training. This has been further adapted to include online learning programmes and opportunities for virtual training to comply with Covid-19 restrictions.
- ◆ Holy Family, Maidstone, remains a priority for the Trust. The successful recruitment of a new Academy Principal, Vice Academy Principal and an experienced SENCo from September 2019 is providing the necessary support for the Executive Principal and has strengthened the academy's capacity for rapid improvement. Four new teachers joined the staff in September 2020 and leaders are continuing to work very hard to drive up standards, embed strong pedagogy and ensure that the school receives a positive monitoring report when Ofsted inspectors next visit.
- ◆ Additional support and challenge remains in place to ensure rapid improvement at St Joseph's Broadstairs and St Richard's Dover, where progress at end of KS2 was below average in both reading and maths in 2019. Rapid Improvement Plans with clear milestones are in place for both schools as well as for Holy Family. The impact of actions to secure ongoing improvement is monitored through formal Academic Challenge Panel meetings in addition to termly progress visits by KCSP School Improvement Advisers.

**STRATEGIC REPORT** (continued)

**Pupil Achievements and School Performance** (continued)

***Impact of KCSP Support and Challenge at Primary level (continued)***

- ◆ The engagement of experts such to support our curriculum development work has helped ensure that our subject leaders are developed and supported to drive up standards within their school's particular context. Despite the disruption caused by Covid-19, good progress has been made with the STEM strategy. Five Primary Science Ambassadors were trained by STEM Learning in the summer term of 2019 and each of the ambassadors is now leading a local Science Hub where they roll out their training to all the primary science leads.
- ◆ Both St Gregory's and St Teresa's were inspected under Ofsted's new Education Inspection Framework (EIF) during academic year 2019/20. After having two previous RI judgements, St Gregory's moved from RI to Good. St Teresa's had its first inspection after conversion to academy status and maintained their good judgement.
- ◆ Three primaries had successful outcomes in their denominational inspections: St Joseph's, Northfleet retained their outstanding grade, St Edward's improved from RI to good, and St Teresa's retained their good grade.

**School Improvement – Secondary**

Due to the Covid-19 pandemic, the DfE cancelled all GCSE, A Level and Applied General examinations for the academic year 2019/20. As a result, no examination results are available for summer 2020 and performance tables have not been published. It is therefore not possible to measure academies' performance in the usual way and to benchmark this against national indicators. However, through the programme of support and challenge and regular school improvement progress visits in the autumn and the spring, SIA reports showed that the Trust's secondary schools were on track to improve on their previous year's performance and the Centre Assessed Grades (CAGs) awarded at both Key Stage 4 and Key Stage 5 supported this.

During lockdown, expertise was shared across the Trust's secondary schools regarding remote learning and platforms for the provision of effective online learning to ensure high quality provision is available for all pupils who need to access it.

The 'in-house' CPD programme offers a range of training, including courses for NQTs, mentors and NPQ leadership training and has been further adapted to include online learning programmes and opportunities for virtual training to comply with Covid-19 restrictions.

Work on curriculum development has continued with the support of external experts. All five secondary schools have put in place high quality curriculum plans in line with the requirements of Ofsted's EIF and are continuing to refine teaching and learning to ensure that the improvements seen at the end of both Key Stage 4 and Key Stage 5 are sustained in the academic year 2020/21.

**STRATEGIC REPORT (continued)**

**Going Concern**

After making appropriate enquiries, the Board of Directors has a reasonable expectation that the 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.

**Financial Review**

The net movement on funds for the year amounted to £4,978,000 (2019: £3,484,000).

The majority of the Trust's funding was provided by the Education and Skills Funding Agency (ESFA). The Trust's income for the year was £55,596,000 (2019: £52,853,000) of which, £50,902,000 (2019: £47,805,000) related to funding for educational operations and £3,614,000 (2019: £3,437,000) of capital grants were received. Expenditure for the year totalled £56,239,000 (2019: £53,016,000).

Excluding movements on the fixed asset fund and on the defined benefit pension liability, the operational surplus for the period was £487,000 (2019: surplus of £311,000).

The Trust held fund balances of £47,687,000 at 31 August 2020 (2019: £52,665,000) which included unrestricted funds of £4,327,000 (2019: £3,840,000) and restricted funds of £43,360,000 (2019: £48,825,000), including a deficit of £24,620,000 on the Local Government Pension Scheme (2019: £18,053,000).

Schools continue to benefit from our ability to deploy a block capital allocation of £2.8 million to best effect. The Board has continued the practice of tripling schools' devolved capital funding permitting a much larger programme of small investments in equipment and minor works alongside a partnership wide programme of major works planned in the light of a comprehensive condition survey.

The further roll-out of the National Funding Formula helped a number of our schools but was of less benefit for most of our one form entry primary schools. Their ability to sustain an appropriate level of expertise and financial strength remains a concern. During the year two further schools were moved into the more sustainable cluster model. Three schools with budget challenges were supported from central reserves and their position improved. Overall the continuing good financial position shows the value of the Partnership for schools.

The results for the year are shown on page 31.

**Reserves policy**

The policy of the Directors is to maintain a level of reserves that will be adequate to provide a stable base for the continuing operation of the Trust whilst ensuring that excessive funds are not accumulated. The Directors are satisfied that the Trust's reserves are sufficient for its current purposes.

**STRATEGIC REPORT (continued)**

**Reserves policy (continued)**

The reserves as at 31 August 2020 amounted to £47,687,000 (2019: £52,665,000) which comprised primarily of restricted fixed asset funds. The unrestricted funds amounted to £4,327,000 (2019: £3,840,000).

The Trust has a pension scheme liability of £24,620,000 as at 31 August 2020 (2019: £18,053,000) which is included in the restricted reserves. The disclosure does not mean that the liability is already committed and is no longer available to the Directors to further the Trust's objectives. In the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. This guarantee came into force on 18 July 2013 following Parliamentary approval. In the short term, the cash flow impact of having a pension scheme liability may be that employer contributions may increase in order to reduce the liability. The academies will always pay the employer contribution rates set by the pension scheme administrators.

**Investment policy**

The monies received by the Trust are largely public funds provided for the education of children and young people. Consequently the Directors take a conservative view on the investment of any surpluses. This takes the form of keeping such funds on deposit in interest bearing accounts. The object of this policy is to protect the funds that the Trust holds whilst taking opportunities to maximise them where possible.

**PRINCIPAL RISKS AND UNCERTAINTIES**

A business plan is in place and takes account of the following risks and uncertainties for the Trust which are:

**Risks**

1. Insufficient capacity to support academies in the Trust;
2. Reputational risks
  - a) Significant Child Protection issue
  - b) A major failure of performance at a given academy or academies;
3. Financial impropriety within the MAT;
4. Failure of appropriate governance oversight across the Trust;
5. Loss of more than one key personnel at or about the same time;
6. Academies failing to meet standards required by Ofsted;
7. Failure of the Trust as an employer in meeting its statutory policy requirements;
8. Failure to attract and retain high-quality staff; and
9. The Trust ceases to be a 'going concern'.



## **PRINCIPAL RISKS AND UNCERTAINTIES (continued)**

### **Risks (continued)**

Significantly for 2019/20 the Trust has managed the risk of the covid-19 pandemic with independently assessed risk assessments in place for all schools. These have remained under constant review by local governing bodies and Trust Directors. Key covid-19 related risks include:

1. Insufficient capacity due to illness or need to isolate
2. Full or partial closure of a school
3. Negative impact on children's education
4. Possible negative financial impact

## **FUNDRAISING**

The Trust follows the fundraising practices as per section 13 of the Charities (Protection and Social Investment) Act 2016. The Trust does not currently work with any commercial or professional fundraisers. The Trust's fundraising activities are currently limited to raising funds for charities which the students' have chosen to support through non-uniform days and cake sales, rather than fundraising for school purposes. These are optional activities.

## **PLANS FOR FUTURE PERIODS**

### **Growth**

The Archbishop's strategic vision in establishing the Trust was for all 32 voluntary aided Catholic schools in the Kent County Council area to be partners. The Trust's wish remains that the remaining secondary school and 7 remaining primary schools convert to academy status and join with us over the next few years.

3 schools are expanding this year with the support of the County Council to meet a need for further places. Our primary schools had 4,892 children on roll in September 2019, (4,901 in 2018) our secondary schools 4,864 (4,702 in 2018).

### **Capacity**

Capacity in the Trust Office has been broadly static since 2017/18 and is generally sufficient to support the needs of 24 schools. Some increase is planned for 2020/21 around teaching support and safeguarding.

Some central activities such as IT, data management and strategic property advice are intentionally outsourced with capacity engaged as and when required. This is seen to be a more efficient operating model minimising the overhead to schools. A number of school services are let out on single partnership wide contracts aimed at securing the best price while maintaining standards. During the year cleaning joined this model.

The Trust is increasingly looking to centralise activity where it makes sense to do so, and this could result in a strategic change to the method of delivery of some activities in the future.

**PLANS FOR FUTURE PERIODS** (continued)

**Streamlined Energy & Carbon Reporting**

<b>UK Greenhouse gas emissions and energy use data for the period 1 September 2019 to 31 August 2020</b>		<b>2019/20</b>
Energy consumption used to calculate emissions (kWh)		10,312,023
Scope 1 emissions in metric tonnes CO <sub>2</sub> e		
Gas consumption		1,382.70
Owned transport – mini-buses		4.40
Total Scope 1		1,387.10
Scope 2 emissions in metric tonnes CO <sub>2</sub> e		
Purchased electricity		629.82
Scope 3 emissions in metric tonnes CO <sub>2</sub> e		
Business travel in employee owned vehicles		17.68
Total gross emissions in metric tonnes CO <sub>2</sub> e		2,035
Intensity ratio Tonnes CO <sub>2</sub> e per pupil		0.208

**Quantification and reporting methodology**

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting.

**Intensity measurement**

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO<sub>2</sub>e per pupil, the recommended ratio for the sector.

**Measures taken to improve energy efficiency**

We have an ongoing programme of capital works which includes targeting energy efficiency where possible e.g. boiler repairs/replacements and roofing work.

**Directors' report (including the strategic report) 31 August 2020**

**AUDITOR**

Insofar as the Directors are aware:

- ♦ there is no relevant audit information of which the charitable company's auditor is unaware; and
- ♦ the Directors 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.

Directors' report, incorporating a strategic report, approved by order of the Board of Directors on 14 January 2021 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'M. Powis'.

Michael Powis  
Foundation Director/Chair of the Board

### **Scope of responsibility**

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

The Directors have delegated the day-to-day responsibility to the Chief Executive Officer, 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 the Partnership and the Secretary of State for Education. The Chief Executive Officer is also responsible for reporting to the Directors any material weaknesses or breakdowns in internal control.

### **Governance**

The information on governance included here supplements that described in the Directors' report and in the statement of Directors' responsibilities. The Directors have formally met eight times during the period. Attendance during the year at meetings of the Directors was as follows:

### **Board**

<b>Director</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Marieta Brennan	2 *	8
Mgr Matthew Dickens	4	8
Fr. Philip Gilbert	0	1
Julian Gizzi	8	8
Dr Annabel Goodyer	5	8
David Lain	6	8
Dr Jane Overbury	7	8
Michael Powis (Chair)	8	8
Geoffrey Randells	7	8
Peter Ventress	0	1
Clive Webster	6	8
Annemarie Whittle	8	8

\* Attendance impacted by overseas travel restrictions due to the covid pandemic

### **Finance and Resources Committee**

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

The overall purpose of the Committee is to work strategically to ensure due diligence and probity in matters of resourcing within the Trust including financial and premises issues. To ensure the efficient use of resources and accountability, having particular regard for the effective use of public funding and protection of the resources and estates of the Church. They will pursue best practice in all such matters and have regard to the guidance of government and its agencies, the Church and other bodies and organisations having relevant responsibilities for academies.

**Governance** (continued)

***Finance and Resources Committee*** (continued)

The Committee agrees annually the budget for the Trust and its Academies and maintains a 3-year rolling indicative budget. Both are recommended for approval to the full Board.

It has oversight of the finances of the academies of the Partnership, with due regard for the requirements of the Academies Financial Handbook, Academy Funding Agreements and Scheme of Delegation and any other associated procedures as well as oversight of human resources trends and data.

Attendance at meetings by Directors in the year was as follows:

<b>Director</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Michael Powis	5	5
Julian Gizzi	3	3
Geoffrey Randells	3	5
Mike Walters	5	5
Clive Webster	4	5

***Audit and Risk Committee***

The Audit and Risk Committee is a sub-committee of the main Board of Directors.

The Audit and Risk Committee is an advisory body with no executive powers. It is authorised by the Board to investigate any activity within its terms of reference, and to seek any information it requires from staff, who are requested to co-operate with the Committee in the conduct of its inquiries. The Audit Committee is authorised to obtain independent professional advice if it considers this necessary.

The specific duties of the Committee are:

- ♦ To review the Partnership's internal and external financial statements and reports to ensure that they reflect best practice.
- ♦ To consider all relevant reports by the appointed external auditor, including reports on the Partnership's accounts, achievement of value for money and the response to any management letters.
- ♦ To review the effectiveness of the Partnership's internal control system established to ensure that the aims, objectives and key performance targets of the organisation are achieved in the most economic, effective and environmentally preferable manner.

**Governance** (continued)

**Audit and Risk Committee** (continued)

Attendance at meetings by Directors in the year was as follows:

Director	Meetings attended	Out of a possible
Peter Ventress	0	1
Julian Gizzi	3	3
Annabel Goodyer	2	3
Michael Powis	3	3
Annemarie Whittle	1	1
Clive Webster	2	3

Clive Webster attended in his capacity as Chief Executive Officer. He is not a member of the Audit Committee.

**Achievement Committee**

The Achievement Committee is a sub-committee of the main Board of Directors.

The Committee plays a pivotal role in bringing each academy to at least 'good' and ultimately 'outstanding' in the minimum time possible. It does this within the mission, ethos and values of Catholic education.

The Committee monitors standards as evidenced by Ofsted reports, S48 report of religious education and the Catholic life of the academy, Ofsted data dashboards, DfE published attainment data including key stage and GCSE results and such other relevant material as from time to time becomes available.

Attendance at meetings by Directors in the year was as follows:

Director	Meetings attended	Out of a possible
Marieta Brennan	0 *	4
Monsignor Matthew Dickens	2	4
David Lain	4	4
Jane Overbury	4	4
Clive Webster	3	4
Annemarie Whittle	4	4

\* Attendance impacted by overseas travel restrictions due to the covid pandemic

**Review of value for money**

The principles of Procurement Policy Notices 02/20 and 04/20 have been followed. Payments of key contracts such as cleaning and catering continued during the lockdown period.

As Accounting Officer, the Acting Chief Executive Officer has responsibility for ensuring that the Partnership delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider social outcomes achieved in return for the taxpayer resources received.

**Review of value for money** (continued)

The Accounting Officer considers how the Partnership's use of its resources has provided good value for money during the academic year, and reports to the Board of Directors where value for money can be improved, including the use of benchmarking data where available.

Targeted improvement has come from:

- ◆ Increasingly centralised procurement on behalf of schools. A number of contracts have been secured, including catering, cleaning and statutory testing, which achieved economies by aggregating the requirements of a number of academies. This also minimised significantly the administrative burden on individual academies.
- ◆ A progressive review of back-office services, targeting delivery across locations wherever possible.
- ◆ Central procurement and implementation of a consistent software based approach to learning and administration.

As KCSP has grown, the challenges to remain networked and deliver high quality local partnerships increases. Future plans include;

- ◆ Further centrally led procurement targeting the area of IT support and hardware;
- ◆ Further standardising of documentation to support efficient and effective procurement;
- ◆ Standardising and embedding key policies;
- ◆ Further supporting academies in the use of standardised software.

**The purpose of the system of internal control**

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

**Capacity to handle risk**

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

**The risk and control framework**

The Partnership'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 Directors;
- ◆ regular reviews by the finance and resources committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- ◆ setting targets to measure financial and other performance;
- ◆ clearly defined purchasing (asset purchase or capital investment) guidelines;
- ◆ delegation of authority and segregation of duties; and
- ◆ identification and management of risks.

The Directors have considered the need for additional internal assurance and have appointed Buzzacott LLP to provide this. This includes giving advice on financial matters and performing a range of checks on the Partnership's financial systems. In particular the checks carried out in the current period included:

- ◆ testing of payroll systems
- ◆ testing of purchase systems
- ◆ testing of control account/bank reconciliations

The auditor reports to the Directors through the Audit Committee on the operation of the systems of control and on the discharge of the Directors' financial responsibilities. Other than minor coding errors, there were no significant findings resulting from the 2020 Internal assurance work and prior recommendations were found to have been acted upon.

In the current and all prior years the Trust has used the same audit provider for both internal assurance work and also external audit. Taking on board the recommendations of the 2020 Academies Financial Handbook and the revised ethical standard on internal assurance arrangements, the Trust will be re-tendering for internal assurance work going forward.



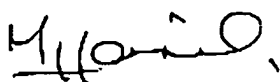
**Review of effectiveness**

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

- ◆ the work of the external auditor;
- ◆ the findings from additional assurance checks;
- ◆ the financial management process;
- ◆ the work of the Senior Management Team within the Partnership who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has advised the Finance and Resources Committee of the implications of his review of the system of internal control and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the Directors and signed on their behalf by:



Mark Harris  
Accounting Officer



Michael Powis  
Foundation Director/Chair of the Board

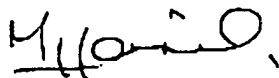
Approved on: 14 January 2021

**Statement of regularity, propriety and compliance** 31 August 2020

As Accounting Officer of Kent Catholic Schools' Partnership, I have considered my responsibility to notify the Partnership Board of Directors and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Partnership 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 Partnership Directors are able to identify any material irregular or improper use of funds by the Partnership, or material non-compliance with the terms and conditions of funding under the Partnership's funding agreements and the Academies Financial Handbook 2019.

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

A handwritten signature in black ink, appearing to read 'Mark Harris', with a stylized flourish at the end.

Mark Harris  
Accounting Officer

Date: 14 January 2021

## Statement of Directors' responsibilities 31 August 2020

The Directors are responsible for preparing the Directors' report and the financial statements in accordance with the Annual Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these financial statements, the Directors are required to:

- ♦ select suitable accounting policies and then apply them consistently;
- ♦ observe the methods and principles in the Charities' SORP FRS 102 and the Academies Accounts Direction 2019 to 2020;
- ♦ make judgements and estimates that are reasonable and prudent;
- ♦ state whether applicable United Kingdom Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ♦ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

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

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

Approved by order of the Board of Directors on 14 January 2021 and signed on its behalf by:



Michael Powis  
Foundation Director/Chair of the Board

## **Independent auditor's report 31 August 2020**

### **Independent auditor's report to the members of Kent Catholic Schools' Partnership**

#### **Opinion**

We have audited the financial statements of Kent Catholic Schools' Partnership (the 'charitable company') for the year ended 31 August 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), 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) (the Charities SORP FRS 102) and the Academies Accounts Direction 2019 to 2020.

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 income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006; and
- ◆ have been prepared in accordance with the Charities SORP FRS 102 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

- ◆ the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or

**Conclusions relating to going concern** (continued)

- ◆ the Directors 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 (covering the reference and administrative details, the report of the directors and strategic report and the governance statement)**

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

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

We have nothing to report in this regard.

**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 Directors' report, which includes the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the Directors' report, includes the strategic report, has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report including the strategic report.

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

- ◆ adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or

**Matters on which we are required to report by exception (continued)**

- ◆ certain disclosures of Directors' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit.

**Responsibilities of Directors**

As explained more fully in the Directors' responsibilities statement, the Directors 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 Directors 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 Directors 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 Directors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.


**Auditor's responsibilities for the audit of the financial statements**

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

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

**Use of our report**

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



Date: 28 January 2021

Katharine Patel (Senior Statutory Auditor)  
For and on behalf of Buzzacott LLP, Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

## **Independent accountant's assurance report 31 August 2020**

### **Independent reporting accountant's assurance report on regularity to Kent Catholic Schools' Partnership and the Education and Skills Funding Agency**

In accordance with the terms of our engagement letter dated 16 July 2019 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 Kent Catholic Schools' Partnership during the period from 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 Kent Catholic Schools' Partnership and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Kent Catholic Schools' Partnership 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 the Kent Catholic Schools' Partnership and the ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of Kent Catholic Schools' Partnership's Accounting Officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of Kent Catholic Schools' Partnership's Academy Order agreements 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 from 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.

## Independent accountant's assurance report 31 August 2020

### Approach (continued)

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 Kent Catholic Schools' Partnership's income and expenditure.

The work undertaken to draw to our conclusion includes:

- ◆ An assessment of the risk of material irregularity and impropriety across all of Kent Catholic Schools' Partnership's activities;
- ◆ Further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- ◆ Consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

### Conclusion

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



Date: 28 January 2021

Buzzacott LLP  
Chartered Accountants  
130 Wood Street  
London  
EC2V 6DL



## Statement of financial activities (including income and expenditure account)

Year to 31 August 2020

	Notes	Unrestricted general fund £'000	Restricted funds		2020 Total funds £'000	2019 Total funds £'000
			General fund £'000	Fixed assets fund £'000		
<b>Income from:</b>						
Donations and capital grants	1	221	—	3,614	3,835	3,708
Charitable activities						
· Funding for the Partnership's educational operations	4	68	50,834	—	50,902	47,805
· Teaching School	25	—	—	—	—	64
Other trading activities	2	853	—	—	853	1,269
Investments	3	6	—	—	6	7
<b>Total income</b>		<b>1,148</b>	<b>50,834</b>	<b>3,614</b>	<b>55,596</b>	<b>52,853</b>
<b>Expenditure on:</b>						
Raising funds	5	50	—	—	50	74
Charitable activities						
· Partnership educational operations	6	—	53,306	2,883	56,189	52,822
· Teaching School	25	—	—	—	—	120
<b>Total expenditure</b>		<b>50</b>	<b>53,306</b>	<b>2,883</b>	<b>56,239</b>	<b>53,016</b>
<b>Net income (expenditure) before transfers</b>		<b>1,098</b>	<b>(2,472)</b>	<b>731</b>	<b>(643)</b>	<b>(163)</b>
Transfers between funds	17	(611)	301	371	61	—
<b>Net income (expenditure) for the year</b>		<b>487</b>	<b>(2,171)</b>	<b>1,102</b>	<b>(582)</b>	<b>(163)</b>
<b>Other recognised gains</b>						
· Actuarial losses on defined pension benefit schemes	22	—	(4,396)	—	(4,396)	(3,321)
<b>Net movement in funds</b>		<b>487</b>	<b>(6,567)</b>	<b>1,102</b>	<b>(4,978)</b>	<b>(3,484)</b>
<b>Reconciliation of funds</b>						
Total funds brought forward at 1 September 2019		3,840	(18,053)	66,878	52,665	56,149
<b>Total funds carried forward at 31 August 2020</b>		<b>4,327</b>	<b>(24,620)</b>	<b>67,980</b>	<b>47,687</b>	<b>52,665</b>

All of the Partnership's activities derived from continuing operations during the above two financial periods.

All gains and losses are included in the statement of financial activities.

## Balance sheet 31 August 2020

	Notes	2020 £'000	2020 £'000	2019 £'000	2019 £'000
<b>Fixed assets</b>					
Tangible assets	13		66,995		66,223
<b>Current assets</b>					
Stock		—		1	
Debtors	14	1,592		1,773	
Cash at bank and in hand		8,454		7,159	
		<u>10,046</u>		<u>8,933</u>	
<b>Liabilities</b>					
Creditors: amounts falling due within one year	15	(4,401)		(4,068)	
<b>Net current assets</b>			<u>5,645</u>		<u>4,865</u>
<b>Total assets less current liabilities</b>			<u>72,640</u>		<u>71,088</u>
Creditors: amounts falling due after more than one year	16		(333)		(370)
<b>Net assets excluding pension liability</b>			<u>72,307</u>		<u>70,718</u>
Defined benefit pension scheme liability	18		(24,620)		(18,053)
<b>Total net assets</b>			<u>47,687</u>		<u>52,665</u>
<b>Funds of the Partnership</b>					
<b>Restricted funds</b>					
Fixed assets fund	17		67,980		66,878
Pension reserve	17		(24,620)		(18,053)
<b>Total restricted funds</b>			<u>43,360</u>		<u>48,825</u>
<b>Unrestricted income funds</b>					
General fund	17		4,291		3,738
Designated fund	17		36		102
<b>Total funds</b>			<u>47,687</u>		<u>52,665</u>

The financial statements on pages 31 to 60 were approved by the Directors, and authorised for issue on 14 January 2021 and are signed on their behalf by:



Michael Powis  
 Foundation Director/Chair of the Board  
 Kent Catholic Schools' Partnership  
 Company Limited by Guarantee  
 Registration Number: 08176019 (England and Wales)

# Statement of cash flows Year to 31 August 2020

		2020 £'000	2019 £'000
<b>Net cash flow from operating activities</b>			
Net cash provided by (used in) operating activities	A	931	(121)
<b>Cash flows from investing activities</b>			
	B	364	(677)
<b>Change in cash and cash equivalents in the year</b>		<b>1,295</b>	<b>(798)</b>
<b>Reconciliation of net cash flow to movement in net funds:</b>			
Cash and cash equivalents at 1 September 2019		7,159	7,957
Cash and cash equivalents at 31 August 2020	C	8,454	7,159
<b>A Reconciliation of expenditure to net cash flow from operating activities</b>			
		2020 £'000	2019 £'000
<b>Net expenditure for the year (as per the statement of financial activities)</b>		<b>(643)</b>	<b>(163)</b>
<b>Adjusted for:</b>			
Funding transferred from Teaching School		61	—
Depreciation charges (note 13)		2,883	2,863
Capital grants from DfE and other capital income		(3,614)	(3,437)
Interest receivable (note 3)		6	7
Defined benefit pension scheme cost less contributions payable (note 22)		1,854	1,866
Defined benefit pension scheme finance cost (note 22)		317	311
Decrease (increase) in debtors		181	(267)
Decrease in stock		1	5
Decrease in creditors		(115)	(1,306)
<b>Net cash provided by (used in) operating activities</b>		<b>931</b>	<b>(121)</b>
<b>B Cash flows from investing activities</b>			
		2020 £'000	2019 £'000
Interest from investments		(6)	(7)
Purchase of tangible fixed assets		(3,244)	(4,107)
Capital grants from DfE/ESFA		3,614	3,437
<b>Net cash provided by (used in) investing activities</b>		<b>364</b>	<b>(677)</b>
<b>C Analysis of cash and cash equivalents</b>			
		2020 £'000	2019 £'000
Cash at bank and in hand		8,454	7,159
<b>Total cash and cash equivalents</b>		<b>8,454</b>	<b>7,159</b>

## Statement of cash flows Year to 31 August 2020

### D Analysis of changes in net debt

	At 1 September 2019 £'000	Cash flows £'000	At 31 August 2020 £'000
Cash at bank	7,159	1,295	8,454
Credit facilities falling due within one year	(38)	19	(19)
Credit facilities falling due after more than one year	(370)	38	(332)
<b>Total</b>	<b>6,751</b>	<b>1,352</b>	<b>8,103</b>

**Statement of accounting policies**

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

**Basis of preparation**

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

**Going concern**

The Directors assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. As part of this assessment this year, the Directors have considered the likely impact of the Covid-19 pandemic, including the impact on the Partnership's reserves. The Directors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Partnership has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Partnership's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

**Income**

All income is recognised when the Partnership 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.

The 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.

**Income** (continued)

**Grants** (continued)

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

**Sponsorship income**

Sponsorship income provided to the Partnership which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

**Donations**

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

**Other income**

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

**Expenditure**

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

**Expenditure on raising funds**

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

**Charitable activities**

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

All expenditure is stated net of recoverable VAT.

**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.

Depreciation is provided on all tangible fixed assets other than land, at rates calculated to write off the cost of each asset on a straight-line basis.

◆ Leasehold buildings	50 years
◆ Building improvements	10 years
◆ Furniture and equipment	3 years
◆ Computer equipment	3 years
◆ Motor vehicles	3 years

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

On transfer into the Trust, land and buildings have been valued at ESFA valuation, where available, and at 40% of insurance valuation where ESFA valuation is not available. This is treated as deemed cost going forward.

Some of the land and buildings occupied by the Partnership are owned by the Roman Catholic Archdiocese of Southwark. The Archdiocese of Southwark owns the freehold of some of the site. The rest is owned by the Partnership. The Partnership occupies the site owned by the Archdiocese of Southwark under a mere licence, which does not create an interest in land. The site is always recoverable, and the licence therefore passes no rights to the Partnership to occupy the site. The Archdiocese of Southwark has, however, undertaken to the Secretary of State, by virtue of the Church Supplemental Agreement, to make the land available for use by the Partnership, which use may be terminated by the Archdiocese of Southwark by it giving not less than two years' notice.

The value of land and buildings that are owned by the Diocese of Southwark and used by the Partnership have been recognised as fixed assets in the Partnership's accounts as the Partnership meets the control criteria set out in the Academies Accounts Direction 2019 to 2020. For example, the Partnership has responsibility for access to the buildings, maintenance of the premises and control over works, including capital works, to the premises. The buildings meet the definition, therefore, of a fixed asset of the Partnership.

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.

**Tangible fixed assets** (continued)

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed assets fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on such assets is charged to the restricted fixed assets fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Partnership's depreciation policy.

**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 Partnership 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.

**Leased assets**

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

**Financial instruments**

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

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

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

*Financial liabilities* – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 15 and 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

**Stock**

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



### **Taxation**

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

### **Pensions benefits**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Partnership in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 22, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore 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 scheme and the assets are held separately from those of the Partnership 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.

### **Fund accounting**

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education and Skills Funding Agency, Department for Education or other funders where the fixed asset acquired or created is held for a specific purpose.

**Fund accounting** (continued)

Restricted general funds comprise all other grants received from the Education and Skills Funding Agency, and other bodies, including the Local Authority, Kent County Council.

**Critical accounting estimates and areas of judgement**

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

**Critical accounting estimates and assumptions**

The Partnership 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.

- ◆ On transfer into the Trust, buildings have been included in the financial statements using either the ESFA's valuation, or 40% of the insurance valuation if the valuation had not yet been received at the date of the audit fieldwork. This is treated as deemed cost going forward.
- ◆ Buildings are depreciated on a straight-line basis over 50 years and building improvements on a straight-line basis over 10 years.
- ◆ Fixtures, fittings and equipment are depreciated on a straight-line basis over 3 years.
- ◆ Computer equipment and motor vehicles are depreciated on a straight-line basis over 3 years.
- ◆ 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 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 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.

**Agency Arrangements**

The Partnership acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the Partnership does not have control over the charitable application of the funds. The Partnership can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid, and any balances held are disclosed in note 24.

# 1 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Restricted fixed assets fund £'000	2020 Total funds £'000	2019 Total funds £'000
<b>2020</b>					
Capital grants	—	—	3,614	3,614	3,437
Other donations	221	—	—	221	271
	221	—	3,614	3,835	3,708

	Unrestricted funds £'000	Restricted funds £'000	Restricted fixed assets fund £'000	2019 Total funds £'000
<b>2019</b>				
Capital grants	—	—	3,437	3,437
Other donations	271	—	—	271
	271	—	3,437	3,708

# 2 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	2020 Total funds £'000	2019 Total funds £'000
<b>2020</b>				
Hire of facilities	145	—	145	210
Miscellaneous income	708	—	708	1,059
	853	—	853	1,269

	Unrestricted funds £'000	Restricted funds £'000	2019 Total funds £'000
<b>2019</b>			
Hire of facilities	210	—	210
Miscellaneous income	1,059	—	1,059
	1,269	—	1,269

# 3 Investment income

	Unrestricted funds £'000	Restricted funds £'000	2020 Total funds £'000	2019 Total funds £'000
<b>2020</b>				
Interest receivable	6	—	6	7
	6	—	6	7

	Unrestricted funds £'000	Restricted funds £'000	2019 Total funds £'000
<b>2019</b>			
Interest receivable	7	—	7
	7	—	7

#### 4 Funding for the Partnership's educational operations

	Unrestricted funds £'000	Restricted funds £'000	2020 Total funds £'000	2019 Total funds £'000
<b>2020</b>				
<b>DfE/ESFA grants</b>				
General Annual Grant (GAG)	—	44,126	<b>44,126</b>	41,733
Other DfE/ESFA grants	—	3,546	<b>3,546</b>	3,081
Teaching School	—	—	—	64
		<b>47,672</b>	<b>47,672</b>	44,878
<b>Other Government grants</b>				
Local authority grants	—	2,844	<b>2,844</b>	1,380
Other income from the Partnership's educational operations	68	318	<b>386</b>	1,611
<b>2020 total funds</b>	<b>68</b>	<b>50,834</b>	<b>50,902</b>	<b>47,869</b>

	Unrestricted funds £'000	Restricted funds £'000	2018 Total funds £'000
<b>2019</b>			
<b>DfE/ESFA grants</b>			
General Annual Grant (GAG)	—	41,733	41,733
Other DfE/ESFA grants	—	3,081	3,081
Teaching School	—	64	64
	—	<b>44,878</b>	<b>44,878</b>
<b>Other Government grants</b>			
Local authority grants	—	1,380	1,380
Other income from the Partnership's educational operations	604	1,007	1,611
<b>2019 total funds</b>	<b>604</b>	<b>47,265</b>	<b>47,869</b>

#### 5 Expenditure

	Staff costs (note 9) £'000	Non pay expenditure		2020 Total funds £'000
		Premises £'000	Other costs £'000	
<b>2020</b>				
Expenditure on raising funds				
. Direct costs	—	—	50	<b>50</b>
Partnership's educational operations (note 6)				
. Direct costs	34,068	2,419	3,430	<b>39,917</b>
. Allocated support costs	8,216	4,136	3,920	<b>16,272</b>
Teaching Schools	—	—	—	—
<b>2020 total funds</b>	<b>42,284</b>	<b>6,555</b>	<b>7,400</b>	<b>56,239</b>

**5 Expenditure (continued)**

2019	Staff costs (note 9) £'000	Non pay expenditure		2019 Total funds £'000
		Premises £'000	Other costs £'000	
<i>Expenditure on raising funds</i>				
. Direct costs	—	23	51	74
<i>Partnership's educational operations (note 6)</i>				
. Direct costs	30,757	2,348	4,016	37,121
. Allocated support costs	8,322	3,732	3,647	15,701
<i>Teaching Schools</i>	67	—	53	120
<b>2019 total funds</b>	<b>39,146</b>	<b>6,103</b>	<b>7,767</b>	<b>53,016</b>

	2020 Total funds £'000	2019 Total funds £'000
<b>Net income for the year includes:</b>		
Operating lease rentals	150	122
Depreciation	2,883	2,863
Fees payable to auditor for:		
. Audit	42	41
Other services		
. Current year	29	21
. Prior year	—	20

**6 Charitable activities – Partnership's educational operations**

	2020 Total funds £'000	2019 Total funds £'000
Direct costs	39,917	37,121
Support costs	16,272	15,701
	<b>56,189</b>	<b>52,822</b>

	2020 Total funds £'000	2019 Total funds £'000
<b>Analysis of support costs</b>		
Support staff costs	8,216	8,322
Depreciation	464	513
Technology costs	763	775
Premises costs	3,672	3,219
Other support costs	2,637	2,426
Governance costs (note 7)	520	446
<b>Total support costs</b>	<b>16,272</b>	<b>15,701</b>

## 7 Governance costs

	2020 Total funds £'000	2019 Total funds £'000
Legal and professional fees	449	364
Auditor's remuneration:		
. Audit of financial statements	42	41
Other services		
. Current year	29	21
. Prior year	—	20
	<b>520</b>	<b>446</b>

## 8 Comparative information

Analysis of income and expenditure in the year ended 31 August 2019 between restricted and unrestricted funds:

		Unrestricted general fund £'000	Restricted funds		2019 Total funds £'000
	Notes	£'000	General fund £'000	Fixed assets fund £'000	£'000
<b>Income from:</b>					
Donations and capital grants	1	271	—	3,437	<b>3,708</b>
Charitable activities					
. Funding for the Partnership's educational operations	4	604	47,201	—	<b>47,805</b>
. Teaching School	25	—	64	—	<b>64</b>
Other trading activities	2	1,269	—	—	<b>1,269</b>
Investments	3	7	—	—	<b>7</b>
<b>Total income</b>		<b>2,151</b>	<b>47,265</b>	<b>3,437</b>	<b>52,853</b>
<b>Expenditure on:</b>					
Raising funds	5	74	—	—	<b>74</b>
Charitable activities					
. Partnership educational operations	6	—	49,959	2,863	<b>52,822</b>
. Teaching School	25	—	120	—	<b>120</b>
<b>Total expenditure</b>		<b>74</b>	<b>50,079</b>	<b>2,863</b>	<b>53,016</b>
<b>Net income (expenditure) before transfers</b>		<b>2,077</b>	<b>(2,814)</b>	<b>574</b>	<b>(163)</b>
Transfers between funds	17	(1,766)	637	1,129	<b>—</b>
<b>Net income (expenditure) for the year</b>		<b>311</b>	<b>(2,177)</b>	<b>1,703</b>	<b>(163)</b>
<b>Other recognised gains</b>					
. Actuarial losses on defined pension benefit schemes	22	—	(3,321)	—	<b>(3,321)</b>
<b>Net movement in funds</b>		<b>311</b>	<b>(5,498)</b>	<b>1,703</b>	<b>(3,484)</b>
<b>Reconciliation of funds</b>					
Total funds brought forward at 1 September 2018		3,529	(12,555)	65,175	<b>56,149</b>
<b>Total funds carried forward at 31 August 2019</b>		<b>3,840</b>	<b>(18,053)</b>	<b>66,878</b>	<b>52,665</b>

## 9 Staff

### (a) Staff costs

Staff costs during the year were:

	2020 Total funds £'000	2019 Total funds £'000
Wages and salaries	30,442	29,149
Social security costs	2,883	2,770
Pension costs (including FRS 102 pension adjustment of £1,854,000 (2019: £1,866,000))	8,491	6,714
	41,816	38,633
Supply teacher costs	459	502
Staff restructuring costs	9	11
	42,284	39,146
<b>Staff restructuring costs comprise</b>	<b>2020 £'000</b>	<b>2019 £'000</b>
Redundancy payments	9	—
Severance payments	—	11
	9	11

Included in staff restructuring costs were redundancy payments of £8,741 made during the year (2019 - £nil). There were no non-statutory/non-contractual severance payments during the year (2019 - £11,360 in respect of one payment).

### (b) Staff numbers

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

	2020 No.	2019 No.
Teachers	549	553
Administration and support	834	864
Management	60	57
	1,443	1,474

**9 Staff (continued)**

**(c) Higher paid staff**

The number of employees whose employee benefits (excluding employer pension costs) fell within the following bands was:

	2020 No.	2019 No.
£60,001 - £70,000	16	14
£70,001 - £80,000	11	9
£80,001 - £90,000	2	2
£90,001 - £100,000	1	1
£100,001 - £110,000	1	3
£110,001 - £120,000	3	—
£120,001 - £130,000	—	1
£150,001 - £160,000	—	1
£160,001 - £170,000	1	—

Employee benefits for the purposes of this note have been calculated based on the amount paid to the employees during the time that each school has been part of the Partnership and are not the employee benefits on a per annum basis.

**(c) Key management personnel**

The key management personnel of the Partnership comprise the Directors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Partnership was £873,000 (2019: £826,000).

**10 Directors' remuneration and expenses**

Employees who are also Directors only receive remuneration in respect of services they provide in undertaking their role as employees of the Partnership and not in respect of their services as Directors. Other Directors did not receive any payments from the Partnership in respect of their role as Directors. The value of Directors' remuneration and other benefits was as follows:

	2020 £'000	2019 £'000
Clive Webster, Chief Executive Officer		
. Remuneration	160 – 165	155 – 160
. Employer's pension contributions	30 – 35	30 – 35
Michael Walters, Principal		
. Remuneration	110 – 115	105 – 110
. Employer's pension contributions	25 – 30	15 – 20
Annemarie Whittle, Principal		
. Remuneration	90 – 95	85 – 90
. Employer's pension contributions	20 – 25	10 – 15

Other related party transactions involving the Directors are set out in note 23.



**10 Directors' remuneration and expenses** (continued)

During the year ended 31 August 2020, travel and subsistence expenses totalling £3,000 were reimbursed to three Directors (2019: £5,740 was reimbursed to two Directors). These were reimbursed as part of the Directors' work as employees of the Partnership. No expenses were reimbursed to the other Directors (2019 – none).

**11 Directors' and Officers' insurance**

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

**12 Central services**

The Partnership has provided the following central services to its schools during the year:

- ◆ Financial services
- ◆ Legal services
- ◆ Office administration
- ◆ IT support
- ◆ School improvement
- ◆ HR & Personnel support
- ◆ Capital Building and Project Support
- ◆ Marketing
- ◆ Professional Development
- ◆ Central Contracts

The Partnership charges the academies for the above services at the rate of £240 (2019: £200) per pupil for the year.

**12 Central services (continued)**

The actual amounts charged during the year were as follows:

	2020 £'000	2019 £'000
St Joseph's Catholic Primary School, Aylesham	23	19
St Simon Stock Catholic School, Maidstone	259	220
St Gregory's Catholic Comprehensive School, Tunbridge Wells	291	240
St Joseph's Catholic Primary School, Broadstairs	46	42
St Anselm's Catholic School, Canterbury	259	227
St Gregory's Catholic Primary School, Margate	64	60
Holy Family Roman Catholic Primary School, Maidstone	44	38
St Mary's Catholic Primary School, Deal	47	41
St Simon of England Roman Catholic Primary CP School, Ashford	48	42
St Thomas' Catholic Primary School, Sevenoaks	47	42
St Margaret Clitherow Catholic Primary School	88	79
St Peter's Catholic Primary School, Sittingbourne	48	42
St Richard's Catholic Primary School, Dover	46	38
More Park Catholic Primary School, West Malling	47	41
Our Lady of Hartley Catholic Primary School, Hartley	48	43
St Joseph's Catholic Primary School, Northfleet	55	47
Ursuline College, Westgate-on-Sea	196	160
Stella Maris Catholic Primary School, Folkestone	48	41
St John's Catholic Primary School, Gravesend	158	137
St Mary's Catholic Primary School, Whitstable	93	86
St Edmund's Catholic School, Dover	104	93
St Edward's Catholic Primary School, Sheerness	45	39
St Teresa's Catholic Primary School, Ashford	49	43
St Augustine's Catholic Primary School, Tunbridge Wells	70	62
	<b>2,223</b>	<b>1,922</b>

**13 Tangible fixed assets**

	Leasehold land and buildings £'000	Furniture and equipment £'000	Computer equipment £'000	Motor Vehicles £'000	Total £'000
<b>Cost</b>					
At 1 September 2019	73,741	752	1,801	10	<b>76,304</b>
Additions	3,135	61	459	—	<b>3,655</b>
At 31 August 2020	<b>76,876</b>	<b>813</b>	<b>2,260</b>	<b>10</b>	<b>79,959</b>
<b>Depreciation</b>					
At 1 September 2019	8,758	298	1,015	10	<b>10,081</b>
Charge in year	2,419	156	308	—	<b>2,883</b>
At 31 August 2020	<b>11,177</b>	<b>454</b>	<b>1,323</b>	<b>10</b>	<b>12,964</b>
<b>Net book values</b>					
At 31 August 2020	<b>65,699</b>	<b>359</b>	<b>937</b>	<b>—</b>	<b>66,995</b>
At 31 August 2019	<b>64,983</b>	<b>454</b>	<b>786</b>	<b>—</b>	<b>66,223</b>

**14 Debtors**

	2020 £'000	2019 £'000
Trade debtors	48	67
VAT recoverable	664	570
Other debtors	140	112
Prepayments and accrued income	740	1,024
	<b>1,592</b>	<b>1,773</b>

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

	2020 £'000	2019 £'000
Trade creditors	1,936	1,193
Taxation and social security	658	628
Other creditors	94	200
Accruals and deferred income	1,713	2,047
	<b>4,401</b>	<b>4,068</b>
<b>Deferred income (included above)</b>		
Deferred income at 1 September 2019	795	881
Released during the year	(795)	(881)
Resources deferred in the year	721	795
Deferred income at 31 August 2020	<b>721</b>	<b>795</b>

At the balance sheet date the Partnership was holding funds received in advance for free school meals, school meals, trips, and travel card deposits received from Parent Pay and virtual schools monies held as custodian.

**16 Creditors: amounts falling due after more than one year**

	2020 £'000	2019 £'000
Other creditors	333	370
	<b>333</b>	<b>370</b>

Other creditors include credit facilities from the Archdiocese of Southwark.

The first credit facility of £19,200 is repayable in monthly instalments of £1,600. The full amount of the credit facility is repayable within one year and is included within other creditors in note 15.

The second credit facility of £351,500 is repayable in annual instalments of £18,500. £18,500 of the credit facility is repayable within one year and is included within other creditors in note 15. The balance of £333,000 is included in creditors falling due after more than one year above.

## 17 Funds

	Balance at 1 September 2019 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2020 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	—	44,126	(44,427)	301	—
Pupil Premium	—	1,928	(1,928)	—	—
Other DfE/ESFA grants	—	1,618	(1,618)	—	—
Pension reserve	(18,053)	—	(2,171)	(4,396)	(24,620)
	<u>(18,053)</u>	<u>47,672</u>	<u>(50,144)</u>	<u>(4,095)</u>	<u>(24,620)</u>
<b>Other restricted funds</b>					
Local authority grants	—	2,844	(2,844)	—	—
Other restricted funds	—	318	(318)	—	—
	<u>—</u>	<u>3,162</u>	<u>(3,162)</u>	<u>—</u>	<u>—</u>
<b>Total restricted funds</b>	<b>(18,053)</b>	<b>50,834</b>	<b>(53,306)</b>	<b>(4,095)</b>	<b>(24,620)</b>
<b>Restricted fixed assets funds</b>					
Transfer on conversion	52,372	—	(2,174)	—	50,198
DfE/ESFA capital grants	655	3,614	(134)	(3,150)	985
Capital expenditure	13,851	—	(575)	3,521	16,797
	<u>66,878</u>	<u>3,614</u>	<u>(2,883)</u>	<u>371</u>	<u>67,980</u>
<b>Unrestricted funds</b>					
General funds	3,738	1,148	(50)	(545)	4,291
Designated funds	102	—	—	(66)	36
<b>Total unrestricted funds</b>	<b>3,840</b>	<b>1,148</b>	<b>(50)</b>	<b>(611)</b>	<b>4,327</b>
<b>Total funds</b>	<b>52,665</b>	<b>55,596</b>	<b>(56,239)</b>	<b>(4,335)</b>	<b>47,687</b>

**17 Funds (continued)**

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

***Restricted general funds***

These grants relate to the Partnership's development and educational activities.

***General Annual Grant (GAG)***

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

***Fixed assets fund***

These grants relate to funding received from the ESFA which have been used to purchase fixed assets. This has been reflected by a transfer between funds.

The fund also includes assets received from Kent County Council on conversion of the schools to academies within the Partnership.

***Pension reserve***

The pension reserve relates to the Partnership's share of the Kent County Council Local Government Pension Scheme.

## 17 Funds (continued)

### *Analysis of expenditure by school*

Expenditure incurred by each school and the central services team (excluding depreciation) during the year was as follows:

	Teaching and educational support staff costs £'000	Other support staff costs £'000	Educational supplies £'000	Other costs (excluding depreciation) £'000	2020 Total £'000
St Joseph's Catholic Primary School, Aylesham	429	96	41	109	675
St Simon Stock Catholic School, Maidstone	3,701	681	332	918	5,632
St Gregory's Catholic Comprehensive School, Tunbridge Wells	4,397	916	457	971	6,741
St Joseph's Catholic Primary School, Broadstairs	661	175	58	166	1,060
St Anselm's Catholic School, Canterbury	4,342	701	542	941	6,526
St Gregory's Catholic Primary School, Margate	930	134	112	256	1,432
Holy Family RCP School, Maidstone	669	137	91	207	1,104
St Mary's Catholic Primary School, Deal	651	94	57	168	970
St Simon of England RCP School, Ashford	764	99	64	173	1,100
St Thomas' Catholic Primary School, Sevenoaks	809	171	84	207	1,271
St Margaret Clitherow Catholic Primary School	1,213	124	122	339	1,798
St Peter's Catholic Primary School, Sittingbourne	746	130	59	172	1,107
St Richard's Catholic Primary School, Dover	674	136	75	200	1,085
More Park Catholic Primary School, West Malling	686	97	66	179	1,028
Our Lady of Hartley Catholic Primary School, Hartley	662	128	58	191	1,039
St Joseph's Catholic Primary School, Northfleet	667	118	69	191	1,045
Ursuline College, Westgate-on-Sea	3,152	614	392	818	4,976
Stella Maris Catholic Primary School, Folkestone	796	62	87	183	1,128
St John's Catholic Primary School, Gravesend	2,187	365	158	642	3,352
St Mary's Catholic Primary School, Whitstable	1,320	145	104	312	1,881
St Edmund's Catholic School, Dover	1,892	318	226	499	2,935
St Edward's Catholic Primary School, Sheerness	689	109	43	187	1,028
St Teresa's Catholic Primary School, Ashford	616	129	47	211	1,003
St Augustine's Catholic Primary School, Tunbridge Wells	950	99	63	239	1,351
Central Services	29	2,874	22	(833)	2,092
<b>Partnership</b>	<b>33,632</b>	<b>8,652</b>	<b>3,429</b>	<b>7,646</b>	<b>53,359</b>

The Central Services are funded by contributions from schools and this is shown as a negative figure under "other costs".

## 17 Funds (continued)

**Analysis of fund balances by school**

Fund balances at 31 August 2020 were allocated as follows:

	2020 £'000	2019 £'000
St Joseph's Catholic Primary School, Aylesham	102	81
St Simon Stock Catholic School, Maidstone	490	330
St Gregory's Catholic Comprehensive School, Tunbridge Wells	855	560
St Joseph's Catholic Primary School, Broadstairs	59	49
St Anselm's Catholic School, Canterbury	398	267
St Gregory's Catholic Primary School, Margate	129	117
Holy Family RCP School, Maidstone	(99)	71
St Mary's Catholic Primary School, Deal	63	65
St Simon of England RCP School, Ashford	69	69
St Thomas' Catholic Primary School, Sevenoaks	75	140
St Margaret Clitherow Catholic Primary School	158	186
St Peter's Catholic Primary School, Sittingbourne	(14)	69
St Richard's Catholic Primary School, Dover	108	88
More Park Catholic Primary School, West Malling	—	63
Our Lady of Hartley Catholic Primary School, Hartley	52	58
St Joseph's Catholic Primary School, Northfleet	153	94
Ursuline College, Westgate-on-Sea	356	300
Stella Maris Catholic Primary School, Folkestone	68	67
St John's Catholic Primary School, Gravesend	189	142
St Mary's Catholic Primary School, Whitstable	89	89
St Edmund's Catholic Primary School, Dover	(282)	(257)
St Edward's Catholic Primary School, Sheerness	102	58
St Teresa's Catholic Primary School, Ashford	101	98
St Augustine's Catholic Primary School, Tunbridge Wells	106	85
Central Services	1,000	951
<b>Total funds before fixed assets fund and pension reserve</b>	<b>4,327</b>	<b>3,840</b>
Restricted fixed assets fund	67,980	66,878
Pension reserve	(24,620)	(18,053)
<b>Total</b>	<b>47,687</b>	<b>52,665</b>

The Trust is carrying a net deficit of £282,000 on restricted general funds (excluding pension reserve) plus unrestricted funds for St Edmund's Secondary Academy in Dover. Prior to academy conversion the school was judged by Ofsted to be in "Special Measures" and subsequently, at the time of academy conversion "Requires Improvement". These judgements had a significant impact on pupil recruitment and these low year groups are now flowing through the academy. The Trust has taken action to return these funds to surplus: a staff re-structure has taken place to reduce expenditure, the poorly attended Sixth Form was closed, and this coupled with more positive academy improvement data and demographic pressures in the local area is yielding improvement to pupil intake. It is anticipated that the deficits will continue to be supported for a further two years before the academy is able to generate a balanced budget and make inroads into the overall deficit due to financial pressures needing to be balanced against the need to display significant and urgent academy improvement.

# 17 Funds (continued)

There is a net deficit of £14,000 on restricted general funds (excluding the pension reserve) plus unrestricted funds at St Peter's Catholic Primary School, Sittingbourne. During the year there has been a short-term cash flow shortage at St Peter's, due to initiatives to improve school outcomes following the resignation of the Headteacher. This will be resolved over the next couple of years and the Trust does not expect this net deficit position to be sustained in 2020/21 and beyond.

The Trust is also carrying a net deficit of £99,000 on restricted general funds (excluding the pension reserve) plus unrestricted funds for Holy Family RCP School, Maidstone. The Trust has been heavily involved with School Improvement at Holy Family in order to improve learning outcomes for the pupils. The additional initiatives are resulting in a deficit at the School that are being supported by way of cash flow from Central Services. The Trust has a centralised reserve to enable this to be done. The Trustees expect this support to continue for the next academic year.

## Comparative information

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

	Balance at 1 September 2018 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2019 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	—	41,733	(42,370)	637	—
Start Up Grant	—	—	—	—	—
Pupil Premium	—	1,909	(1,909)	—	—
Other DfE/ESFA grants	—	1,236	(1,236)	—	—
Local authority grants	—	1,380	(1,380)	—	—
Other restricted funds	—	1,007	(1,007)	—	—
Pension reserve	(12,555)	—	(2,177)	(3,321)	(18,053)
	<u>(12,555)</u>	<u>47,265</u>	<u>(50,079)</u>	<u>(2,684)</u>	<u>(18,053)</u>
<b>Restricted fixed assets funds</b>					
Transfer on conversion	54,650	—	(2,278)	—	52,372
DfE/ESFA capital grants	196	3,437	(155)	(2,823)	655
Capital expenditure	10,329	—	(430)	3,952	13,851
	<u>65,175</u>	<u>3,437</u>	<u>(2,863)</u>	<u>1,129</u>	<u>66,878</u>
<b>Total restricted funds</b>	<u>52,620</u>	<u>50,702</u>	<u>(52,942)</u>	<u>(1,555)</u>	<u>48,825</u>
<b>Unrestricted funds</b>					
General funds	3,529	2,151	(74)	(1,868)	3,738
Designated funds	—	—	—	102	102
<b>Total unrestricted funds</b>	<u>3,529</u>	<u>2,151</u>	<u>(74)</u>	<u>(1,766)</u>	<u>3,840</u>
<b>Total funds</b>	<u>56,149</u>	<u>52,853</u>	<u>(53,016)</u>	<u>(3,321)</u>	<u>52,665</u>



**18 Analysis of net assets between funds**

	Unrestricted funds £'000	Restricted General Funds £'000	Restricted fixed assets fund £'000	<b>Total 2020 £'000</b>	Total 2019 £'000
<b>Fund balances at 31 August 2020 are represented by:</b>					
Tangible fixed assets	—	—	66,995	<b>66,995</b>	66,223
Current assets	4,327	4,734	985	<b>10,046</b>	8,933
Current liabilities	—	(4,401)	—	<b>(4,401)</b>	(4,068)
Non-current liabilities	—	(333)	—	<b>(333)</b>	(370)
Pension scheme liability	—	(24,620)	—	<b>(24,620)</b>	(18,053)
<b>Total net assets</b>	<b>4,327</b>	<b>(24,620)</b>	<b>67,980</b>	<b>47,687</b>	<b>52,665</b>

	Unrestricted funds £'000	Restricted General Funds £'000	Restricted fixed assets fund £'000	Total 2019 £'000
<b>Fund balances at 31 August 2019 are represented by:</b>				
Tangible fixed assets	—	—	66,223	66,223
Current assets	3,840	4,438	655	8,933
Current liabilities	—	(4,068)	—	(4,068)
Non-current liabilities	—	(370)	—	(370)
Pension scheme liability	—	(18,053)	—	(18,053)
<b>Total net assets</b>	<b>3,840</b>	<b>(18,053)</b>	<b>66,878</b>	<b>52,665</b>

**19 Capital commitments**

At 31 August 2020, the Partnership had capital commitments of £475,000 (2019 – none).

**20 Commitments under operating leases**

At 31 August 2020, the total of the Partnership's future minimum lease payments under non-cancellable operating leases was as follows:

	<b>2020 £'000</b>	2019 £'000
Amounts due within one year	<b>150</b>	125
Amounts due between two and five years inclusive	<b>175</b>	145
	<b>325</b>	270

**21 Members' Liability**

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

## 22 Pension and similar obligations

The Partnership'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 Kent County Council. 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 2019.

No contributions were payable to the schemes at 31 August 2020 (2019 - none).

### *Teachers' Pension Scheme*

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

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

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

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. 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; and
- ◆ the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

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

The employer's pension costs paid to TPS in the year amounted to £4,776,691 (2019: £3,185,230).

## 22 Pension and similar obligations (continued)

### *Valuation of the Teachers' Pension Scheme (continued)*

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

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

### *Local Government Pension Scheme (LGPS)*

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £2,407,000 (2019: £2,162,000), of which employer's contributions totalled £1,873,000 (2019: £1,662,000) and employees' contributions totalled £534,000 (2019: £500,000). The agreed contribution rates for future years are 20% for employers and 6% for employees.

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

Principal Actuarial Assumptions	At 31 August 2020	At 31 August 2019
Rate of increase in salaries	3.3%	3.7%
Rate of increase for pensions in payment	2.3%	2.2%
Discount rate for scheme liabilities	1.6%	1.9%
Inflation assumption (CPI)	2.3%	2.2%

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 years	At 31 August 2019 years
<i>Retiring today</i>		
Males	22.0	22.1
Females	24.0	24.0
<i>Retiring in 20 years</i>		
Males	23.2	23.7
Females	25.2	25.8

**22 Pension and similar obligations (continued)**

**Local Government Pension Scheme (LGPS) (continued)**

<b>Sensitivity analysis – resultant pension liability from a change in actuarial assumptions</b>	<b>At 31 August 2020 £'000</b>	<b>At 31 August 2019 £'000</b>
Discount rate +0.1%	50,822	40,215
Discount rate -0.1%	53,319	42,021
Adjustment long term salary increase +0.1%	53,974	42,578
Adjustment long term salary increase -0.1%	50,205	39,689
Life expectancy +1 year	53,175	41,902
Life expectancy -1 year	50,962	40,332

The Partnership's share of the assets and liabilities in the scheme were:

	<b>Fair value at 31 August 2020 £'000</b>	<b>Fair value at 31 August 2019 £'000</b>
Equities	17,770	15,715
Gilts	3,543	2,080
Bonds	3,014	2,688
Property	835	616
Cash and other liquid assets	184	165
Absolute return fund	2,089	1,791
<b>Total market value of assets</b>	<b>27,435</b>	<b>23,055</b>
Less: Liabilities	(52,055)	(41,108)
<b>Net pension liability</b>	<b>(24,620)</b>	<b>(18,053)</b>

The actual return on scheme assets was £1,789,000 (2019: £964,000).

<b>Amounts recognised in statement of financial activities</b>	<b>2020 £'000</b>	<b>2019 £'000</b>
Current service cost	(3,714)	(3,068)
Past service cost	—	(450)
Net interest cost	(317)	(311)
Administration expenses	(13)	(10)
<b>Total amount recognised in the SOFA</b>	<b>(4,044)</b>	<b>(3,839)</b>

<b>Changes in the present value of defined benefit obligations were as follows:</b>	<b>2020 £'000</b>	<b>2019 £'000</b>
At 1 September 2019	41,108	33,209
Current service cost	3,714	3,068
Interest cost	762	877
Employee contributions	534	500
Actuarial loss	6,315	3,719
Benefits paid	(378)	(715)
Past service cost	—	450
<b>At 31 August 2020</b>	<b>52,055</b>	<b>41,108</b>

## 22 Pension and similar obligations (continued)

### *Local Government Pension Scheme (LGPS) (continued)*

Changes in the fair value of the Partnership's share of scheme assets:	2020 £'000	2019 £'000
At 1 September 2019	23,055	20,654
Interest income	445	566
Actuarial gain	575	—
Return on plan assets less interest	1,344	398
Administration expenses	(13)	(10)
Employer contributions	1,873	1,662
Employee contributions	534	500
Benefits paid	(378)	(715)
<b>At 31 August 2020</b>	<b>27,435</b>	<b>23,055</b>

## 23 Related party transactions

Owing to the nature of the Partnership's operations and the composition of the Board of Directors being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Board of Directors may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Partnership's financial regulations and normal procurement procedures.

During the year, one Director made a restricted donation of £233 (2019: £nil) to the Partnership.

The Partnership received credit facility funding of £420,000 in 2014 from the Diocese of Southwark to support the set-up costs of the Partnership. At 31 August 2020, £68,500 (2019: £50,000) of this balance of £420,000 has been repaid to the Archdiocese of Southwark. The Partnership intends to repay the remaining credit facility in 19 annual instalments of £18,500, with repayments having commenced on 1 September 2019 and the final instalment being due on 1 September 2038. These terms are set out in a Memorandum of Understanding between the Partnership and the Diocese of Southwark. In October 2017 the business and assets of the Diocese of Southwark were transferred to a Charitable Incorporated Organisation – The Roman Catholic Archdiocese of Southwark. All of the Partnership's members are employees of the Diocese of Southwark.

The Partnership has a further credit facility of £19,200 (2019: £38,400) outstanding at 31 August 2020 from the Diocese. This is being repaid at a monthly amount of £1,600.

The Partnership conducted the above related party transactions in accordance with the requirements of the Academies Financial Handbook.

## 24 Agency Arrangements

The Partnership distributes 16-19 bursary funds to students as an agent for the ESFA. In the year ended 31 August 2020 the Partnership received £52,592 (2019: £81,750) and disbursed £17,699 (2019: £54,467) from the fund. £34,893 (2019: £27,283) is included in other creditors relating to undistributed funds that is repayable to the ESFA.

**25 Teaching School Trading Account**

	2020 Total funds £'000	2020 Total funds £'000	2019 Total funds £'000	2019 Total funds £'000
<b>Income</b>				
<b>Direct income</b>				
Teaching School Grants	—		64	
<b>Other income</b>				
Fundraising and other trading activities	—		131	
<b>Total income</b>		—		195
<b>Expenditure</b>				
Direct costs	—		(80)	
Direct staff costs	—		(40)	
<b>Total direct costs</b>		—		(120)
<b>Other costs</b>				
Support staff costs	—		(26)	
Other support costs	—		(13)	
<b>Total other costs</b>		—		(39)
<b>Total expenditure</b>		—		(159)
<b>Surplus from all sources</b>		—		36
Teaching school balances at 1 September 2019		—		25
<b>Teaching school balances at 31 August 2020</b>		—		61