

ST FRANCIS AND ST CLARE CATHOLIC MULTI ACADEMY COMPANY

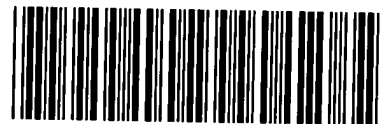
(A Company Limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 AUGUST 2020

MONDAY



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COMPANIES HOUSE

Company Limited by Guarantee
Registration Number: 08578428
(England & Wales)

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, DIRECTORS AND ADVISORS

Members	The Founder Member, The Bareri Newman Foundation A Hardy Rev. J Veasey Rev. D Palmer Right Rev B. Longley
Directors:	Mgr M Crisp Dr R Grinsted (Appointed 1 September 2019) C Mergen R W Morgan ** (Appointed 1 September 2019) N Anderton (Appointed 22 October 2019) A M Shorthouse ** F R Tunney (Co-opted Director appointed 09.10.2020) Dr C Walker (Chair) ** G M Walker (Vice Chair) ** (Appointed 1 September 2019) <i>**Members of the Finance, Resources, Staffing & Audit and Risk Committee</i>
Executive Senior Management Team	T Ellis (Catholic Senior Executive Leader and Accounting Officer) B Raj (Chief Operating Officer)
Company Secretary	B Raj
Senior Management Team 1	
Principal	L Bradley
Vice Principal	A Brereton (appointed 01.09.2020)
Senior Management Team 2	
Principal	J Hanslip
Assistant Principal	C Dawes
Senior Management Team 3	
Principal	M Pitcher (resigned 31.08.2020)
Interim Acting Principal	S McHale (appointed 01.09.2020)
Assistant Principal	T Picken
Senior Management Team 4	
Principal	J Byrne
Acting Vice Principal	J Morgan
Senior Management Team 5	
Principal	M Hazeldine
Vice Principal	A Letheren
Senior Assistant Principal	S Wilcox
Assistant Principal	E Gibbons (resigned 31.08.2020)
Assistant Principal	Director of Safeguarding - G Higham
Assistant Principal	Director of English - R Rawal (appointed 01.09.2020)
Assistant Principal	Director Science - J Buckle
Assistant Principal	Director of Safeguarding / PD - E Hill (appointed 01.09.2020)
Assistant Principal	Director of Maths - J Wardle
Assistant Principal	Teacher Innovation - C Beech
Senior Management Team 6	
Acting Principal	J Wardle
Vice Principal	C Beech
Senior Management Team 7	
Principal	A Jewkes
Vice Principal	S Walters (appointed 05.11.2020)
Acting Assistant Principal	S Walters (promoted 05.11.2020)
Assistant Principal	K Tyler

REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, DIRECTORS AND ADVISORS (cont'd)**Senior Management Team 8**

Principal	V Minihane
Vice Principal	S Smith
Assistant Principal	S Mullrooney (resigned 31.12.2019)
Acting Assistant Principal	K Cox (appointed 01.01.2020)

Senior Management Team 9

Principal	L Craig (appointed 01.09.2020)
Acting Principal	L Craig (promoted 31.08.2020)
Vice Principal	R Coombs (appointed 01.09.2020)
Vice Principal	B O'Sullivan (appointed 01.09.2020)
Acting Vice Principal	D Harris (resigned 31.08.2020)
Assistant Principal	R Coombs (promoted 31.08.2020)
Assistant Principal	C Durkins
Assistant Principal	R Hilditch
Assistant Principal	B O'Sullivan (promoted 31.08.2020)
Assistant Principal	M Buzzing
Assistant Principal	P Taylor
Assistant Principal	P Senese
Assistant Principal	F Gilbert
Assistant Principal	C McGarrigle

Academy joining the Multi Academy 01.02.2020

Senior Management Team 10

Acting Principal	S Mulrooney (appointed 01.07.2020)
Head of School	S Mulrooney (promoted 30.06.2020)
Assistant Principal	P Ryan (appointed 01.09.2020)
Assistant Principal	C Crawford (appointed 01.09.2020)

Academy joining the Multi Academy 01.09.2020

Senior Management Team 11

Principal	T Davis
Vice Principal	M Bradbury

Company Registration Number 08578428

Independent Auditors UHY Hacker Young (Birmingham) LLP
9-11 Vittoria Street
Birmingham
B1 3ND

Bankers Lloyds Bank Plc
Wolverhampton Queen Square
Birmingham OSC
Ariel House
2138 Coventry Road
Sheldon
B26 3JW

Solicitors Anthony Collins Solicitors
134 Edmund Street
Birmingham
B3 2ES
0121 214 3661
Chris.Whittington@anthonycollins.com

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2020

The directors present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a Trustees' report and a Directors' report, including a strategic report, under company law.

St Francis and St Clare Catholic Multi Academy Company expanded on 1st September 2020 (formerly known as Bishop Cleary Catholic Multi Academy Company with a name change on 6th August 2019 with the addition of schools from former Pope John). For operational purposes St Francis and St Clare Catholic Multi Academy Company was formed with the merger of the two previous multi academies.

The Company operates 2 secondary schools, Our Lady and St Chad Catholic Academy (11-18), St Edmund's Catholic Academy (11-18) and 9 primaries - Corpus Christi Catholic Primary Academy and Nursery (3-11), Holy Rosary Catholic Primary Academy (4-11), St Mary's Catholic Primary Academy and Nursery (3-11), SS Mary and John's Catholic Primary Academy and Nursery (3-11), St Michael's Catholic Primary Academy and Nursery (3-11), SS Peter and Paul Catholic Primary Academy and Nursery (3-11), St Teresa's Catholic Primary Academy (4-11). St Patrick's Catholic Primary Academy and Nursery (3-11) joined on 1st February 2020 and St Anthony's Catholic Primary Academy and Nursery (3-11) joined 1st September 2020. All 11 Catholic Academies are based within the Wolverhampton Catholic Deanery and they have a combined pupil capacity of 4357, and had a roll of 4309 in the school census in October 2020.

STRUCTURE, GOVERNANCE AND MANAGEMENT CONSTITUTION**Constitution**

St Francis and St Clare is a company limited by guarantee with no share capital (registration no: 08578428) and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the multi academy Company.

The Trustees for St Francis and St Clare Catholic Multi Academy Company Limited are also the Directors/Trustees of the charitable company for the purposes of company law. The charitable company is known as St Francis and St Clare Multi Academy Company. Details of the Company's Directors who served during the year (except as noted) are included in the Reference and Administrative details on pages 2 to 3.

Members' Liability

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

Directors' Indemnities

St Francis and St Clare Catholic Multi Academy Company has opted into the Department of Education Risk Protection Arrangement ('RPA') an alternative to insurance where UK government funds cover losses that arise. The scheme protects Members, Trustees and the Local Governing Body members from claims arising from negligent acts, errors or omissions occurring whilst on Academy Company business. The scheme provides cover up to £10,000,000.

Method of Recruitment and Appointment or Election of Directors

Full details are laid out in the Articles of Association which state that the number of Foundation Directors shall not be less than three, but shall not be subject to a maximum, further details are within the Scheme of delegation. All Foundation Directors shall, upon their appointment or election, give a written undertaking to the Founder Member, the Trustees and the Diocesan Bishop, substantially in the form annexed in the Articles of Association, to uphold the Object of the Company.

As part of the procedure for the recruitment of new members the completion of the Academy Foundation Director Application Form is compulsory and submitted to the Diocese for the approval of the Bishop. Any new member must also complete the Deed of Adherence to the Scheme of Delegation and an undertaking to the Diocesan Bishop. The Directors are appointed by the members reflecting their skill set.

Policies and Procedures Adopted for the Induction and Training of Directors

New Directors and Governors are formally written to on appointment, and provided with relevant details on Governance, as well as a copy of the Scheme of Delegation, and information from the Birmingham Diocese.

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)**Policies and Procedures Adopted for the Induction and Training of Directors (cont'd)**

Training is available internally, and from external providers, and the Archdiocese of Birmingham, comprising a wide range of courses aimed specifically at Governors and Directors. Opportunities for key governance members to meet together and with Senior leaders are provided, including contributing to strategic leadership through group meetings of Chairs and Vice Chairs and Away Days. During the year under review, the Trustees held 4 full board meetings and several sub-committee meetings. There were an additional 4 extraordinary Board of Directors meetings as a result of COVID19.

Organisational Structure

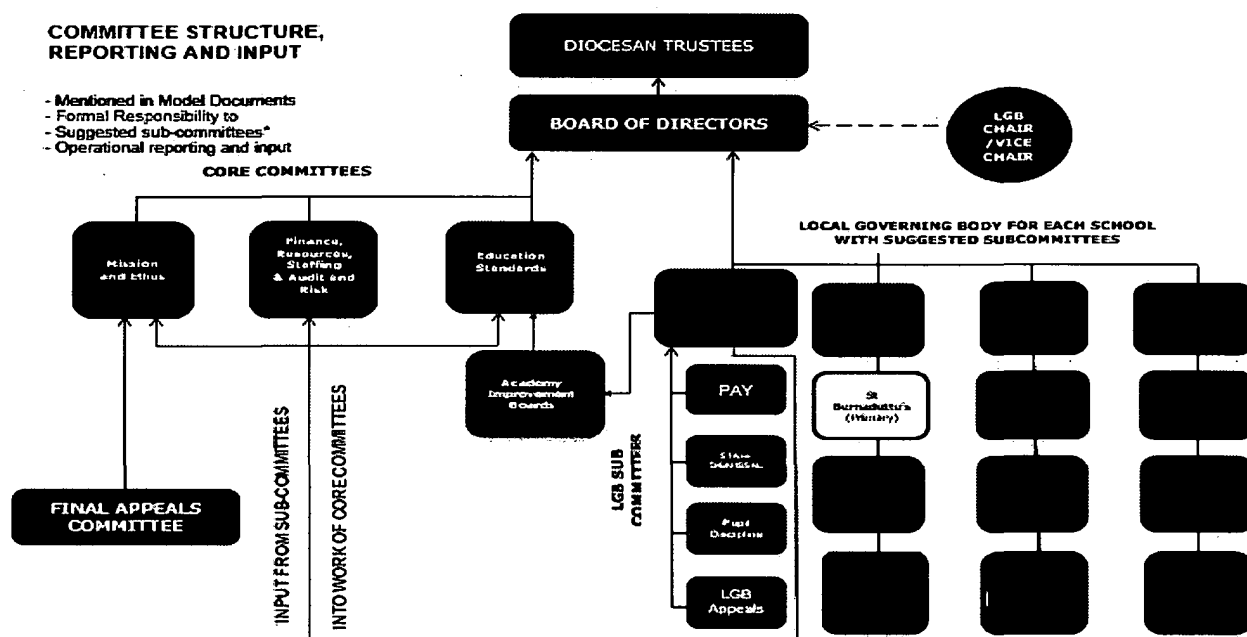
The Board of Directors have the ultimate responsibility for the St Francis and St Clare Catholic Multi Academy Company. The Accounting Officer is the Catholic Senior Executive Leader (CSEL/CEO) of the Company and has ultimate responsibility for the operations and controls in place.

Leadership and Management across the Multi Academy is delegated by Directors to the Committees, , Local Governing bodies(LGB) and Executive/Senior Leadership Teams reporting back through the various Committees. The levels of responsibility and accountability are laid out in the Scheme of delegation (see Diagram A) The Board, with the support of the Executive Team, maintains overall control for the activities and performance of the Company. Certain functions remain the responsibility of the Board of Directors including: the appointment of Coopted Directors, Governors, significant external partners, Catholic Senior Executive Leader(CSEL)/ Chief Operating Officer(COO)/ and all Principal/Vice Principal/Assistant Principal appointments, plus approval of Annual Financial Statements and Budgets. The Board of Directors also take responsibility for ratifying central policies and procedures implemented within the Company. The Board, in the performance of its duties, pays due regard to the advice and information provided by the supporting Committees. In line with the Scheme of delegation, responsibility for individual academies is delegated to the Local Governing Bodies and the Board pays due regard to their advice and information.

The Board has constituted 3 Core Committees dealing respectively with

- Mission and Ethos
- Education Standards
- Finance, Resources, Staffing & Audit and Risk

The Board has developed terms of reference detailing the functions delegated to that Core Committee. The CSEL and the Local Governing Body provide input to the Core Committees about the work being undertaken at Academies, encourage collaborative working across the Academies in the MAC, (and beyond) share best practice and expertise.

Diagram A

*The LGB will be responsible for forming its own sub-committees to carry out its governance function, mostly commonly as above, though other sub committees can be formed if required

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)**Arrangements for Setting and Remuneration of Key Management Personnel**

St Francis and St Clare Catholic Multi Academy Company reviews and publishes its Pay Policy which sets out its arrangements for setting pay and remuneration for key management positions. The Pay Policy is agreed annually by the Board of Directors. National documents such as the NJC (National Joint Council) and STPCD (School Teachers Pay and Conditions document) are taken into consideration. An appointments panel of the Board is responsible for appointments of key management positions with support from the Diocesan Education Service.

Trade Union facility time

St Francis and St Clare Catholic Multi Academy Company does not have any formal agreements as yet with any trade unions under a facilities agreement. There are ongoing talks in process.

Relevant union officials

	Numbers	FTE's
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Number of employees who were relevant union officials during the relevant period	2	2
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Percentage of time

	Employee Numbers
--	-------------------------

0%	
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1% - 50%	2
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51% - 99%	
-----------	--

100%	
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Percentage of pay bill spent on facility time

The internal school staff meet informally with the Principal during normal school work, to identify and address any concerns or general update.

Related Parties and other Connected Charities and Organisations

The Company works in collaboration with local secondary providers to offer further choice on courses at 6th form. The Company also has strong collaborative links with local catholic schools and local learning communities.

Engagement with employees (including disabled persons)

St Francis and St Clare Catholic Multi Academy Company has engaged with all employees by:

- providing employees with information on matters of concern to them
- consulting employees or their representatives regularly so that the views of employees can be taken into account in making decisions which are likely to affect their interests
- encouraging the involvement of employees in the company's performance
- achieving a common awareness on the part of all employees of the factors affecting the performance of the company.
- its policy in respect of applications for employment from disabled persons, the treatment of employees who become disabled and the training, career development and promotion of disabled persons

The Department for Business, Energy & Industrial Strategy (BEIS) has published guidance to help companies understand how this affects them.

The Charities Commission has also published a guide: Charities SORP Information Sheet 3: The Companies (Miscellaneous Reporting) Regulations 2018 and UK Company Charities.

Engagement with suppliers, customers and others in a business relationship with the Company

St Francis and St Clare has fostered relationships with suppliers, customers, beneficiaries, funders and the wider community by involving them in their community fundraising and inviting them to whole school events of interest.

Objectives and Activities**Objects and Aims**

Passionate about the city of Wolverhampton, our young people and the power of students to make a difference to the world in which we live, **St Francis and St Clare Academies'** vision is to inspire our communities to follow the Catholic values of our saints and to be the light that extinguishes darkness; adopting the Company motto '**Follow the Light of Christ**'.

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)**Objects and Aims (cont'd)**

Our Multi Academy Company (MAC) has been set up to unite many of the Catholic schools of the Wolverhampton Catholic Deanery as beacons of outstanding Catholic education. The MAC will bear witness to the good news of the Gospel, showing the light of our Catholic faith in our city and wider area, as one of our patrons, St Francis said: **"All the darkness in the world cannot extinguish the light of a single candle."**

Our purpose as a Catholic Multi Academy is to help all pupils, students and staff to discover their full spiritual potential, reflecting the centre of our Catholic faith which is to love God and neighbour, both in our school communities, and in our wider neighbourhood of Wolverhampton. Our aim is to provide an outstanding Catholic education for all our pupils through excellent teaching and learning, continuous improvement, and providing creative and innovative opportunities, so that all our pupils and staff develop and contribute to the common good of our wider, diverse society.

Vision

To Provide excellent Catholic education where all follow the light of Christ, finding purpose, growth and wholeness'.

Mission and Values

We are a 'people first organisation' dedicated to enabling all pupils to have purpose, growth and wholeness.

Values

- 1 **Purpose:** To know and love Christ. Aspire and be resilient. Communicate and collaborate with excellence and conscience.
- 2 **Growth:** To love and be loved; modelling virtues. Be curious and have a love for learning. Be knowledgeable and have moral integrity.
- 3 **Wholeness:** Be spiritually and morally aware. have confidence and the character to succeed. Make a positive contribution to the world.

Since forming in September 2019, the MAC has developed excellent collaborations across the organisation, receiving many positive acknowledgements on good practice. The Company has shared practice and demonstrations with other forming Multi Academies Companies within the Diocese.

As a MAC we truly value the success of every child and we place the sharing of excellent education practice at the core of this value. We are committed to improving the quality of education.

As a MAC we are committed to maintaining our core principles and focus as we grow; working with our family of Catholic schools where we believe we can help and who, in turn, can enrich and provide real benefit for the existing St Francis and St Clare Catholic Multi Academy Company.

Our MAC brings schools together into one catholic organisation family so that school leaders; teachers, learners and our community can work and thrive together, gaining from and supporting each other.

Our approach is built around a clear vision of inclusive education and a relentless drive to raise standards - we keep our focus on our learners, ensuring they are supported by great teachers, outstanding leaders and excellent facilities.

We believe in strong local management and governance. Our MAC is led by our Members and our outstanding Board of Directors; each academy has a Local Governing Body to oversee progress in that school. The Company Executive function is designed to be lean and focused, providing unwavering attention on getting the best outcomes for our learners, staff and the wider community.

We focus on research and evidence-led school improvement strategies; we develop our leaders and staff and ensure we have excellent and leading practice in our teaching, support and management practices.

Our support and management functions are wholly focused on supporting our schools, with exemplary financial management, excellent human resource support and a continuous drive for value for money, efficiency and effectiveness.

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)**Our Structure**

We have in place a clear and accountable model for governance at all levels that meet all legal and best practice expectations and demonstrates robust and transparent arrangements for leading our Company and schools. Our model:

- Ensures we have strong capability and capacity within our Governance structures and staff appointed to the Company
- Retains a clear model of accountability and delegated governance, holding the Executive Team and Principals to account so the Company runs efficiently and effectively
- Maintains knowledge and expertise on system improvement and outcomes for learners of all ages and settings, applying sound Quality Assurance practices
- Demonstrates a clear understanding of Company Budgets and meeting responsibilities for budget controls and accounting procedures across the Company with sound risk assessment procedures in place
- Has a commitment to continuous and appropriate self-review and training of our Members and Directors to ensure they fulfil their key functions
- Ensures LGBs and schools within the Company are fit for purpose with essential skill sets of Governors, meet clear schemes of delegation and can focus on the core business of education
- Leads and develops the Company so it grows and becomes sustainable, has due diligence processes that are effective and new schools joining the Company are well supported and challenged
- Protects the integrity and future of the Company including regular self-review, succession and business planning

Leadership of St Francis and St Clare Catholic MAC Company Board

Toni Ellis was appointed as CSEL/CEO in January 2019, was previously the Principal of Our Lady & St Chad Catholic Academy and was a key driver, along with the COO Mrs Bhaksho Raj, in establishing the St Francis and St Clare Catholic Multi Academy Company.

The Company has 3 members and 9 Foundation directors with a wealth of experience in the school system and School Improvement, Legal, HR, Finance, Accounting, Governance, Business and Industry.

Key Priorities and Principles of the Company

The Company has seven key areas of focus which drive the annual Company Development Plan, inform individual School Development Plans (SDP's) in each academy and support external funding bids. This ensures consistent reporting and monitoring across the Company.

In summary:

- i **Leadership and Management** – We are focused on developing: **Culture, Talent and People**. Phase one was sharply focused on Vision and Mission, and creating a sustainable leadership structure across the organisation. During this year, all academies have secured substantive leadership at Principal and VP level. Academy Improvement Boards are established in 'Rapid Improvement Model' schools and secondments to accelerate support and progress have been recruited. Talent sharing has commenced with task and finish groups established during lockdown to support and develop key priority areas; for example, EYFS.
- ii **Outcomes for pupils** - The company has a phased approach to developing and embedding impactful school improvement to drive organisational performance and pupil achievement. All academies will improve to at least nationally expected standards with an increasing number of schools achieving outstanding results which are well above national standards. Academy improvement focuses on one of four St Francis and St Clare Catholic MAC models of improvement; Rapid Improvement, Embed, Accelerate or Beacon Model of Improvement. The Company has successfully embedded school improvement strategies with the Local Authority. Achievements of young people have improved.

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)

- iii **Quality of Education -Teaching, Learning and Assessment** – The Company adopts an **80/20 approach** to its developments and meeting culture; thus striving for 80% of input and strategy being focused on elements that directly impact on the education of our children. Working Groups during 2019-2020 focussed on Curriculum, Pedagogy, Assessment and Safeguarding (Don't Walk on By' philosophy). We pay unrelenting attention to Intent (curriculum), Implementation (curriculum and delivery) to ensure the Impact on our learners leads to "Outstanding practice" and excellent progress. The Quality of Teaching and Learning across the Company must ensure our children overcome any barriers and access a rich well-balanced curriculum – that ensures learners have a purpose, growth and wholeness. Local Authority categorisation of schools demonstrates that two academies have moved to an improved categorisation. Inspections of two academies clearly demonstrated that the MAC judgments were accurate. One school improved to RI from I within 12 months of going into special measures prior to joining the new MAC. Leadership and Management, Behaviour and Attitudes, Personal Development and Quality of education in Early Years were all graded Good. Sixth months into the new Company, a school identified as Inadequate by the Company was placed into special measures.
- iv **Personal Development, Pastoral Care, Behaviour and Safeguarding** – The 'Don't Walk on By' MAC philosophy is centred on a non-negotiable priority of securing beyond compliant pastoral care and safeguarding for our communities. During 2019-2020, our Safeguarding and Pastoral Care MAC leader secured a common and robust approach to safeguarding across the organisation; developing company and external auditing tools, increasing the number of schools evaluated as 'Exceptional'. All external and internal audits show good - exceptional practice. Inspections report SG is effective.
- v **Community, Faith, Employer and Parental Engagement** – we are developing our schools so that they are increasingly very popular, often oversubscribed and the first choice for parents in our community. Parents and the community have an increasing understanding of and high satisfaction levels of the Company and the significant role it has in improving the quality of education across our area. Year one was focused on building internal and external relationships. Internal relationships were developed through our Working Group Models and Chairs / Vice Chairs meeting structures. The branding of the newly formed Multi Academy Company was intentionally aligned in colour and motto to the city of Wolverhampton to encourage a sense of ownership from the community.
- iv **Effective management and Company services; 'Beyond Compliant'** – we commit to ensuring the Company is well led and managed, rigorously held to account by the Company Board of Directors and Trustees, with effective services for our schools which provide value for money. Budget targets are met each year and the Company has the financial capacity to support school improvement. Leadership developments have created a sustainable leadership approach that has secured substantive leadership across the organisation during year one. Central services are provided by the Company for: Human Resources, Finance, Health and Safety, GDPR, Estates, Procurement and IT. Central services provides specialist and targeted support to ensure beyond compliance, whilst supporting local academies to follow systems and protocols, supporting an integrated approach.
- vii **Governance and Quality Assurance** – we ensure high quality Governance across the Company which require that leaders are accountable, challenged and supported. The Company has effective quality assurance processes in place and an annual programme of external reviews that affirm its effectiveness. During year one, we have 8 governors and 5 directors who have commenced training with the NGA. Effectiveness of Improvement Boards have been acknowledged during inspections.

Public Benefit

The Directors have complied with their duty in section 17 of the Charities Act 2011 to have due regard to the guidance on public benefit published by the Charity Commission (on their website) in exercising their powers or duties.

During 2019/20 the following activities relating to public benefit were undertaken:

- 1 The education and learning of (2019:4,643) pupils by (2019:480, 340fte) teachers and other staff.
- 2 Improving academic performance by raising educational standards and individual achievement.
- 3 Providing high levels of pastoral care, personal coaching and family support.
- 4 Developing educational links to the benefit of pupils with other educational providers and business.

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)**Public Benefit (cont'd)**

These key activities were underpinned by the:

- 1 Pro-active succession planning supported the further development of the Company leadership teams enabling the academies to make further improvements in teaching and learning, assessment and pastoral care.
- 2 Delivery of estate improvements linked to Health and Safety, Accessibility, Teaching & Learning, Facilities, Heating and Lighting and Catering facilities.

STRATEGIC REPORT**Achievements and Performance**

St Francis and St Clare Multi Academy Company achievements in 2019/20 include:

- Conversion of St Patrick's Catholic School (a school in Special Measures) into the MAC in March 2020 and rapid improvement model implemented
- Preparation for conversion of St Anthony's Catholic Primary School joining the MAC which was secured for September 2020
- The development of the MAC Vision and Mission and brand
- successful development of Working Groups and MAC Leaders across the organisation, which:
 - secured a collaborative approach to sharing practice and establishing agreed standardised approaches to key areas.
 - established aligned assessments and moderations across the Company.
 - developed a detailed MAC approach to curriculum development and quality assurance of curriculum.
- Standardised approach to Safeguarding in all schools.
- Agreed MAC Self Evaluations and improvement planning.
- Creation of the central Executive Team – CSEL, COO.
- Phase One of the MAC Academy Improvement Model was established and included successes such as:
 - Inspection of previous Inadequate school to RI (all areas of the EIF Good, apart from Quality of Education)
 - Two previous RI schools achieved some of the best outcomes in the City.
 - Both secondary schools average progress 8. Once secondary significantly improving on this compared to previous years outcomes.
 - Task and Finish groups for key areas during COVID lockdown to effectively support colleagues and share practice. e.g EYFS.
 - Development of a MAC wide approach to QA secured consistent and easily comparable sharing of self evaluations, formal reviews and company auditing ready for the new academic year.
 - The year culminated in 8 leaders being secured in a substantial post within the MAC and two secondments to support other schools within the organisation.
- The ongoing work undertaken in developing a shared central services model to realise economies of scale and reduce costs for the academies; HR, Estates and procurement, IT, Finance, Health and Safety. The work of this centralised team resulted in successes, such as:
 - Procuring Catering across the MAC, value of £1m, giving opportunity to include specific extras in the contract, i.e. posts for dedicated staff for the MAC, Group Manager and Food Ambassador and greater injection of investment.
 - Establishing aligned academy websites, use of google classrooms and google docs for best practice
 - Establishing common systems and use of specialist key personnel in developing 'beyond compliance' procedures and processes in all areas of central provision
- the ongoing close working relationship between the academies to share knowledge and expertise, to seek out best practice and to realise the vision of the Company.

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)**SFSC Key Stage 2 Teacher Assessed Attainment Data 2020: March 2019 track**

Academy	Total Number of Y6	% Reading EXS+	% Reading GDS	% Writing EXS+	% Writing GDS	% Maths EXS+	% Maths GDS	% EXS Combined RWM
Corpus Christi	25	68	12	68	12	68	12	68
Holy Rosary	31	90	26	87	29	84	26	77
SS Mary & John	28	71	18	71	14	64	29	61
SS Peter & Paul	23	74	30	74	26	61	30	61
St Mary's	58	80	34	80	20	80	20	66
St Michael's	27	74	22	70	19	81	26	70
St Patrick's	30	80	33	76	13	80	20	73
St Teresa's	30	63	14	63	7	63	17	50

Overall performance at the end of Key Stage 4 in 2020– all pupils (CAG)

School Name	Number of pupils at key Stage 4	Progress Score and Description	Entering EBacc	Grade 5 or above in English & Maths GCSE's	Attainment 8 Score	EBacc average point score
Name 1	137	+0.09 Average	61 (44.5%)	47 (34.3%)	4.8	4.05
Name 2	153	+0.19 Average	90 (58.8%)	62 (40.5%)	4.65	4.09

Overall performance at the end of Key Stage 5 in 2019 – A Levels

School Name	Number of students with an A Level exam entry	Average A level Grade	Average point score per entry	Achieving AAB or higher in at least 2 facilitating subjects	Grade and points for a student's best 3 A levels
Name 1	23	B- (VA +0.20)	36.54	0	SISRA can't produce this
Name 2	50	C+ (VA +0.54)	34.09	2	SISRA can't produce this

Pupil Premium

The academies benefitted from pupil premium funding during the period. This has been used in various ways across all schools to strengthen student achievement including additional staff and small group withdrawal sessions.

For a more detailed analysis of expenditure please refer to each respective schools website.

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)**Key Financial staffing Performance Indicators**

The Multi-Academy Company established a financial budget at the start of the year and the Finance and Resources, Audit and Risk Committee monitored performance against budget during the period.

As the Company develops these will be refined in line with both resource and risk management and risk mitigation strategies.

The Directors consider that the following are key performance indicators for the academy Company.

Names of Academy within the MAC	Pupil Numbers	Staff costs as a percentage of total income (excluding transfers)	Staff costs as a percentage of total expenditure	FSM %	SEN%
Corpus Christi	217	75.4%	79.6%	41.5	10.14
Holy Rosary	166	67.4%	74.7%	55.42	12.05
Our Lady and St Chad	1053	66.1%	71.7%	38.46	18.14
St Edmund's	997	73.4%	81.0%	26.68	16.05
St Mary's	463	64.9%	75.4%	35.64	11.23
SS Mary and John's	21	71.3%	76.9%	39.05	9.52
St Michael's	219	75.0%	77.6%	19.63	21
St Patrick's	234	65.8%	78.1%	36.32	9.83
SS Peter and Paul	224	81.7%	80.7%	35.71	8.93
St Teresa's	182	78.7%	75.6%	41.21	17.03

Costs for St Anthony's Catholic Primary Academy and Nursery are not included, as the school joined in September 2020 and were outside the accounting period of this Annual Report.

Staff costs in 2019 for the Executive team, School Improvement and key specialist staff in Finance, IT, H&S, HR and Governance support are now included in the Central Service charge of 4.5% Central Services charges covered strategic business functions, overarching school improvement and the cost of executive developments. The application of the percentage charge is reviewed on an annual basis subject to the needs of the Multi Academy Company.

Central Services will include:

- Strategic IT Services
- Strategic financial services
- HR Services
- GDPR/Compliance/Statutory Policies
- Health and Safety Compliance
- Overarching School Improvement
- Audit Services
- Legal Services
- Capital Spend allocation /Strategic Estates management /Procurement
- Governance support
- Clerking Services
- Executive staffing

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)**Going Concern**

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

The Academy has a number of financial policies in place to ensure that it maintains and develops systems of financial control which conform to the requirements of propriety, regularity and of sound financial management. These policies include: Financial Regulations, Fixed Asset, Gifts and Hospitality, Risk Management, Tendering, Whistle Blowing, Anti-Fraudulent and Corruption and Director Expenses Policy. The guidance and regulations laid out in the annual EFSA Academy Financial Handbook is considered and implemented, as is the Company's Financial Scheme of Delegation.

Promoting the success of the Multi Academy Company

The Directors have promoted the success of the academy Company by having regard to:

- the likely consequences of any decision in the long term;
- the interests of the Company's employees;
- the need to foster the Company's charitable relationships with suppliers, customers and others;
- the impact of the Company's operations on the community and the environment;
- the desirability of the Company maintaining a reputation for high standards of charitable conduct;
- the need to act fairly as between members of the Company.
- to foster a culture of respect, love and care in the principals of Catholic doctrine, and at all times serving as a witness to the Catholic faith in our Lord Jesus Christ.

FINANCIAL REVIEW**Overview**

The principal source of funding for the academy is the General Annual Grant. Most of the academy's income is obtained from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2020 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The MAC also receives grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2015), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31 August 2020, total expenditure of £21,926,000 (2019: £10,403,000 surplus) exceeded grant funding from the DfE together with other incoming resources. Capital expenditure of £453,000 (2019: £89,000) was less than the capital grant income received.

At 31 August 2020, the net book value of fixed assets was £1,250,000 (2019: £586,000) and movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the academy.

The Local Government Pension Scheme (LGPS) figures as at 31 August 2020 for £17,827,000 are based on projecting forward the estimated position at 1 September 2019 and assume that the experience over the year, apart from investment returns, has been in line with the assumptions made at the start of the year.

The estimated FRS 102 deficit at 31 August 2020 is £17,827,000 (2019: £6,968,000) which compares to a deficit of £2,634,000 at the admission date of 1 July 2013. The main reason for the increase in the deficit is because of the transfer of the LGPS deficits from Pope John XXIII CMAC at 31 August 2019 of £5,809,000 and St Patrick's Catholic Primary Academy at 28 February 2020 of £757,000. The other reason for the change in the deficit is because of the difference between employer contributions paid and the service cost and lower than expected asset returns and discount rates over the last few years.

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)**Overview (cont'd)**

It should be noted that the balance sheet, profit and loss and statement of recognised gains and losses figures will be volatile over time. This is generally because the FRS102 liabilities are largely linked to corporate bond yields whereas the scheme invests a large part of its assets in equities.

Reserves Policy

The Company will review the reserve levels annually in accordance with the requirements laid down in the Master Funding Agreement and by the Education and Skills Funding Agency(ESFA). The level of general reserves (excluding the pension reserve and fixed asset funds) held at 31 August 2020 is £3,291,000.

Investment Policy

The Board is committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risks in line with the Company's Investment Policy. Investments are made with regard to Charity Commission guidance in relation to investments.

Financial Position

The MAC held fund balances at 31 August 2020 of £4,746,000 (2019: £1,237,000) after allowing for the pension deficit of £17,827,000 (2019: £6,968,000); comprising £3,664,000 (2019: £646,000) of restricted funds and £1,082,000 (2019: £591,000) of unrestricted general funds.

Principal Risks and Uncertainties

The Board of Directors has a risk management policy and have created a Risk Register to identify and monitor the risks faced by the Company. The Risk register is available on the intranet for all Directors and Governors to view and monitor. The key areas identified are Strategic and Reputational, Operational, Organisational, Compliance and Financial. Policies and procedures have been developed and implemented to mitigate risks. The Risk Register is reviewed regularly by the Finance and Resources, Audit and Risk Committee. Further work is underway to continue to improve the Risk Register by creating a sub group to focus on risk management and report to the main sub-committee of the Board.

During 2019 - 2020 significant risks in relation to the national COVID-19 pandemic were identified and the Board of Directors held an additional 4 extraordinary Board meetings to put in place risk strategies and mitigation to safeguard its community within the parameters and national guidance.

The Multi Academy is continuing to grow, with the potential of 2 further schools wanting to join the Multi Academy within the next 12 months. The Central Services provision has been reviewed and a proposed restructure to manage the operational services with a combined central and decentralised approach to financial tasks.

Financial and Risk Management Objectives and Policies

The Company's financial and risk management objectives are documented in its:

- Official budgets
- Scheme of delegation
- Financial regulations
- Investment policy
- Risk management policies

Particular items which warrant specific disclosure are noted within this annual report.

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)

At the time of reporting, the Company's identified key risks are:

- Impact of the global COVID-19 pandemic on learning and teaching
- Quality and impact and access to remote learning
- The risk of achievement in core subjects being below expectations caused by national changes to the curriculum and examination structures.
- Costs of mitigation measures for COVID-19
- The future financial position of the LGPS pension scheme.
- The reduction in funding from the ESFA.
- The potential increases to employer contributions to the TPS

Fundraising

All fundraising undertaken during the year was monitored by the trustees. General fundraising is conducted within the ethos of our Catholic organisation. Majority of proceeds are passed to charities that are selected by our young people.

Under the provisions of the Charities (Protection and Social Investment) Act 2016 the Multi-Academy Company approach to fundraising practices is as follows:

- our approach to fundraising is to send a generic letter to parents of Year 7 pupils asking them if they would like to donate to the School fund;
- we do not work with any professional fundraisers;
- the Multi-Academy Company has a formal complaints procedure which is accessible from the schools' websites;
- the Multi-Academy Company protects the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate by only sending generic letters to parents/guardians and not approaching anyone directly.

Plans for Future Periods

St Francis and St Clare Catholic Multi Academy Company will continue to strive to provide an excellent Catholic education for all and improve the outcomes and the curriculum for all of our young people, whilst building an excellent culture of staff development and welfare.

Individual school self evaluation judgments and improvement plan objectives have been validated by each Local Governing Body and moderated at a MAC Support and Challenge Meeting which included the CSEL and representative Directors, including the SIP Director.

The overall priorities for the year ahead include:

- Implementation of our accountability framework across all areas of the Company.
- Embedding of Phase 2 of our MAC Academy Improvement Strategy to secure all schools as Good and work towards a third of academies being a MAC Beacon school by year 3.
- Through the above and partnerships with Education Excellence, as well as our inter MAC / MAT developments - secure improving achievement trends, national outcomes (academy specific targets / milestones are in place).
- Develop a governance accountability framework.

Funds Held as Custodian Trustee on Behalf of Others

The Academy does not hold such funds and does not act as the Custodian Trustees of any other charity.


DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)**Auditors**

In so far as the Directors are aware:

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

The auditors, UHY Hacker Young (Birmingham) LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

The Directors' Report incorporating a strategic report was approved by the Board of Directors, as the company directors on 7 December 2020 and signed on their behalf by:



.....

Dr Christopher Walker

Chair of Board of Directors

7 December 2020

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2020**Scope of Responsibility**

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

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

The Board of Directors has delegated the day-to-day responsibility to the Senior Catholic Executive Leader as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between St Francis and St Clare Catholic Multi Academy Company and the Secretary of State for Education. They are also responsible for reporting to the Board of Directors any material weaknesses or breakdowns in internal control with the assistance of the Chief Operating Officer.

Governance

The information on governance included here supplements that described in the Directors' Report and in the Statement of Directors' Responsibilities. The Board of Directors has formally met 8 times during the year, inclusive of 4 extraordinary meetings during this period to discuss and approve Risk Assessments, policies and updates in managing the risks and addressing COVID19 documentation. Attendance during the year at meetings of the Board of Directors was as follows:

Director	Eligible Meetings	Meetings Attended
Mgr M Crisp	8	4
Dr R Grinsted	8	7
C Mergen	8	7
R W Morgan	8	7
N Anderton (appointed 22.10.19)	7	5
A M Shorthouse	8	7
F R Tunney (appointed 09.10.2020)	-	-
C Walker (Chair)	8	8
G M Walker (Vice Chair)	8	8

Directors are aware of their responsibilities and key members of the Finance, Resources, Staffing and Audit and Risk meet monthly to support regular scrutiny of financial data. This is supported by regular reports to the Local Governing Bodies and main Board of Directors. The system of internal control aims to provide as much assurance as is reasonably possible (not absolute assurance) that assets are safeguarded, transactions are properly authorised and recorded and that material errors or irregularities are either prevented or can be detected promptly. Internal scrutiny is carried out by an external company that submits an annual report to the Board of Directors.

Governance Reviews

All levels of Governance complete the skills matrix showing any areas of development or lack of expertise for Both Board of Directors and at local Governing Bodies. The summary outcomes of such reviews are discussed at Board and LGB meetings and appropriate actions put in place to address any shortfalls. For example, areas highlighted for further development for procurement training are discussed and the most appropriate ways to address such gaps considered. Regular Chairs/Vice Chairs meetings take place to support communications and skills development.

The **Finance, Resources, Staffing, Audit and Risk Committee** is a core committee of the main Board of Directors. Its purpose is to focus on :-

- Strategic Financial management of budget resources and services.
- Statutory Returns
- Financial Management
- Asset Management and Risk Management
- Company Finance Policies and guidance
- Policies for Charging and remissions
- Estate Management Plans
- Insurance

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)

During the financial year 2019/20 the Company has concentrated on ensuring sound management of budgets, when facing restricted budgets and challenges of increasing costs. It is also developing sound systems of financial management with good practice and statutory policies in place and operational. The next self-evaluation for Governance will be conducted by January 2021 and reported to the Board at their next Committee. The Chair of the Finances, Resources Staffing & Audit and Risk is a qualified Accountant.

Director	Eligible Meetings	Meetings Attended
R W Morgan (Chair)	4	4
A M Shorthouse (Vice Chair)	4	3
C Walker (Chair of the Board of Directors)	4	3
G M Walker (Vice Chair of the Board of Directors)	4	4

Review of Value for Money

As Accounting Officer the Catholic Senior Executive Leader has responsibility for ensuring that the Multi Academy Company delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

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

Improving educational results

- Continuously reviewed levels of scrutiny at all levels of Governance, leadership and management, which put accountability for pupil achievement and progress at its core, as is emphasised by the Companies 80/20 philosophy. In accordance with a common format, reported to the appropriate committee on targets and monitoring. Challenge on progress and outcomes for learners is effectively undertaken via: SIA visits and external reporting, Support and Challenge Meetings with all Principals and Chairs of LGB's, Academy Improvement Boards (for identified academies), Education Standards Committee, School Improvement Director on the BoD, MAC quality assurance visits / virtual meetings, MAC moderations and MAC Curriculum Deep Dives.
- Maintain staffing structures of its academies, creating shared posts, secondments and internal expertise to maximise benefits for the company and keeping within budgets.
- Track and monitor pupil premium learners and work towards closing gaps between learners of significant cohorts; embedding external Pupil Premium reviews for all academies in the MAC, annually. SEND reviews and COVID Premium Catch Up reviews to commence across the organisation this academic year.
- All learners have full access to an age-appropriate curriculum, which is enhanced by additional specialist strategies and interventions that focus on the specific needs for individuals.

Financial oversight and improved procurement

- Created financial policies to ensure best value for money, probity and transparency
- Maintained robust outcomes in procedures and practices via external audit report for finances, governance, and personnel operations
- Continued to purchase as a Company on relevant services and goods to achieve maximum benefit on cost and provision
- Improved Catering provision for the MAC demonstrating significant VFM
- Development corporate IT support systems for communication and efficient practices
- Ensured the Board and its relevant committees received regular budget reports to promote challenge and scrutiny
- Enabled each academy to manage internally and collaboratively its budget commitments
- Committed to the exploration and generation of additional reliable revenue streams
- Developed Asset Management Plans for the Estates to use School Allocation Grant successfully and to embed in the organisation a culture of collaboration and efficiency saving
- Exploring further energy saving schemes to support carbon footprint.

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)**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 Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in St Francis and St Clare Multi Academy Company for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

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

The Risk and Control Framework

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

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

The Chief Operating Officer, Mrs Raj reports regularly to the Committee and presents financial reports.

The Board of Directors appointed UHY Hacker Young (Birmingham) Limited as the Company's Auditors to carry out external audits and perform additional checks. A detailed independent audit was also carried out by external local Auditors PKF Cooper Parry Ltd and the performance was rated high on systems and procedures in place for the Multi Academy Company.

PKF Cooper Parry Ltd as the internal scrutiny auditor's role includes giving recommendations on financial matters and performing a range of checks on the Multi Academies financial systems. In particular the checks carried out in the current period included testing:

- finance policies and procedures
- income
- payroll systems
- expenditure systems
- accounting system
- control account/bank reconciliations
- management reporting

The Chief Operating Officer's (COO) role includes giving advice on financial matters. On a termly basis, the COO reports to the Board of Directors, through the Finances, Resources, Staffing, Audit and Risk Committee on the operation of the systems of control and on the discharge of the Board of Directors financial responsibilities. Outside this meeting, the COO and the MAC Accountant meets with Directors to ensure financial scrutiny is held in excess of 6 times a year.

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)**Review of Effectiveness**

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

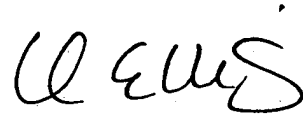
- the work of the external auditors;
- the financial management and governance self-assessment process;
- The work of the COO, MAC Accountant and Principals within the Company who have responsibilities for the development and maintenance of the internal control framework
- The work of an independent audit undertaken by an external consultancy firm

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance, Resources, Staffing, Audit and Risk Committee and plans to ensure continuous improvement of the systems in place.

Approved by order of the members of the Board of Directors on 7 December 2020 and signed on their behalf, by:



.....
Dr Christopher Walker
Chair to Board of Directors



.....
Toni Ellis
Accounting Officer

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2020

As Accounting Officer of St Francis and St Clare Catholic Multi Academy Company, I have considered my responsibility to notify the Multi-Academy Company Board of Directors and the Education 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 academy Company and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

I confirm that no instances of material irregular, 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 ESFA.



.....
Toni Ellis
Accounting Officer

7 December 2020

STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2020

The Directors, who are also the trustees of the Charitable Company for the purposes of company law, are responsible for preparing the Directors' Report and the financial statements in accordance with the Annual Accounts Direction issued by the Education 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 incoming resources and application of resources, including 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 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards FRS102 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 business.

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 to 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 corporate and financial information included on the Charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Directors on 7 December 2020 and signed on its behalf by:



.....
Dr Christopher Walker
Chair of Board of Directors

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST FRANCIS AND ST CLARE CATHOLIC MULTI ACADEMY COMPANY FOR THE YEAR ENDED 31 AUGUST 2020**Opinion**

We have audited the financial statements of St Francis and St Clare Catholic Multi Academy Company (the 'academy trust') for the year ended 31 August 2020 which comprise Statement of Financial Activities, the Balance Sheet and 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

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

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the 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
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the academy trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the directors' report, governance statement, statement on regularity propriety and compliance and statement of directors responsibilities 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST FRANCIS AND ST CLARE CATHOLIC MULTI ACADEMY COMPANY FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)**Other information (cont'd)**

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 set out on page 23, the directors (who are also the trustees of the academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the academy trust 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST FRANCIS AND ST CLARE CATHOLIC MULTI ACADEMY COMPANY FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)**Auditor's responsibilities for the audit of the financial statements (cont'd)**

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the academy trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the academy trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the academy trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Malcolm Winston

Senior Statutory Auditor

UHY Hacker Young (Birmingham) LLP, Statutory Auditor

9-11 Vittoria Street

Birmingham

B1 3ND

7 December 2020

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST FRANCIS AND ST CLARE CATHOLIC MULTI ACADEMY COMPANY AND THE EDUCATION AND SKILLS FUNDING AGENCY FOR THE YEAR ENDED 31 AUGUST 2020

In accordance with the terms of our engagement letter dated 27 April 2020 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 the St Francis and St Clare Catholic Multi Academy Company during the period 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to the St Francis and St Clare Catholic Multi Academy Company and the ESFA in accordance with our engagement letter. Our review has been undertaken so that we might state to the governing body and the ESFA those matters we are required to state to it 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 St Francis and St Clare Catholic Multi Academy Company and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of St Francis and St Clare Catholic Multi Academy Company's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of the St Francis and St Clare Catholic Multi Academy Company's funding agreement with the Secretary of State for Education dated 1 July 2013, and the Academies Financial Handbook extant from 1 September 2019 for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

Summary of the work undertaken was as follows:

- Analytical review of the St Francis and St Clare Catholic Multi Academy Company's general activities are within the multi academy trusts framework of authorities;
- Consideration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance;

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST FRANCIS AND ST CLARE CATHOLIC MULTI ACADEMY COMPANY AND THE EDUCATION AND SKILLS FUNDING AGENCY FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)**Approach (cont'd)**

- Review of the general control environment for the St Francis and St Clare Catholic Multi Academy Company on financial statements and on regularity;
- Sample testing of expenditure transactions to ensure the activity is permissible within the multi academy trust's framework of authority;
- Confirmation that a sample of expenditure has been appropriately authorised in accordance with the multi academy trust's delegated authorities;
- Formal representations obtained from the board of directors and the accounting officer acknowledging the responsibilities including disclosing all non compliance with laws and regulations specific to the authorising framework;
- Confirmation that any extra contractual payments such as severance and compensation payments have been appropriately authorised;
- Review of credit card expenditure for any indication of personal use by staff, principal or directors;
- Review of specific terms of grant funding within the funding agreement;
- Review of related party transactions for connections with the principal/finance manager or directors; and
- Review of income received in accordance with the activities permitted within the multi academy trust's charitable objectives.

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 year 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Reporting Accountant

UHY Hacker Young (Birmingham) LLP
9-11 Vittoria Street
Birmingham
B1 3ND

7 December 2020

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2020
(Including Income and Expenditure Account)

		Unrestricted	Restricted	Restricted	Total	Total
	Note	Funds	General	Fixed	2020	2019
		£'000	£'000	Asset	£'000	As Restated ¹
				Funds		£'000
				£'000		
Income from:						
Donations and capital grants	3	287	-	467	754	155
Transfer of academy into academy trust	3 & 31	251	(4,816)	441	(4,124)	-
Transferred from local authority on conversion	3 & 32	-	(757)	-	(757)	-
Charitable activities:						
- Funding for the academy trust's educational operations	4	21	21,981	-	22,002	9,706
Other trading activities	5	274	-	-	274	219
Investment income	6	2	-	-	2	2
Total		835	16,408	908	18,151	10,082
Expenditure on:						
Raising funds		159	-	-	159	-
Charitable activities:						
- Academy trust's educational operations	7 & 8	-	21,659	108	21,767	(10,403)
Total		159	21,659	108	21,926	(10,403)
Net income/(expenditure)		676	(5,251)	800	(3,775)	(321)
Transfers between funds	17	(185)	159	26	-	-
Other recognised gains and losses						
Actuarial loss on defined benefit pension schemes	17 & 27	-	(3,575)	-	(3,575)	(979)
Net movement in funds		491	(8,667)	826	(7,350)	(1,300)
Reconciliation of funds						
Total funds as previously stated b/fwd	17	591	(6,951)	16,191	9,831	11,491
Prior year adjustment	30	-	-	(15,562)	(15,562)	(15,922)
Total funds as restated b/fwd	17	591	(6,951)	629	(5,731)	(5,731)
Total funds carried forward	17	1,082	(15,618)	1,455	(13,081)	(5,731)

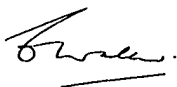
All of the St Francis and St Clare Catholic Multi Academy Company's activities derive from acquisitions and continuing operations during the above two financial periods.

¹ A prior year adjustment has been required to account for the transfer out of church land and buildings. See note 30 for details.

BALANCE SHEET AS AT 31 AUGUST 2020

	Note	2020 £'000	2019 As Restated ¹ £'000
Fixed assets			
Tangible assets	13	1,250	586
		<u>1,250</u>	<u>586</u>
Current assets			
Debtors	14	1,013	359
Cash at bank and in hand		4,471	879
		<u>5,484</u>	<u>1,238</u>
Current liabilities			
Creditors: Amounts falling due within one year	15	(1,982)	(587)
Net current assets		<u>3,502</u>	<u>651</u>
Total assets less current liabilities		<u>4,752</u>	<u>1,237</u>
Creditors: Amounts falling due after more than one year	16	(6)	-
Net assets excluding pension liability		<u>4,746</u>	<u>1,237</u>
Defined benefit pension scheme liability	26	(17,827)	(6,968)
Total Net Liabilities		<u>(13,081)</u>	<u>(5,731)</u>
Funds of the Academy:			
Restricted funds			
- Fixed asset fund	17	1,455	629
- Restricted income fund	17	2,209	17
- Pension reserve	17	(17,827)	(6,968)
Total Restricted Funds		<u>(14,163)</u>	<u>(6,322)</u>
Unrestricted income fund	17	1,082	591
Total Unrestricted Funds		<u>1,082</u>	<u>591</u>
Total Funds		<u>(13,081)</u>	<u>(5,731)</u>

The financial statements on pages 29 to 56 were approved by the directors and authorised for issue on 7 December 2020 and signed on their behalf by:



.....
Dr Christopher Walker
Chair of Board of Directors

¹ A prior year adjustment has been required to account for the transfer out of church land and buildings. See note 30 for details.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020 £'000	2019 As Restated ¹ £'000
Cash flows from operating activities			
Net cash used in operating activities	21	(7)	(50)
Cash flows from investing activities	22	17	44
Cash flows from financing activities	23	7	-
Change in cash and cash equivalents in the reporting period		<u>17</u>	<u>(6)</u>
 Cash and cash equivalents at 1 September		 879	 885
Cash and cash equivalents at 31 August	24	<u>896</u>	<u>879</u>

¹ A prior year adjustment has been required to account for the transfer out of church land and buildings. See note 30 for details.

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

1 Statement of Accounting Policies

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

St Francis and St Clare Catholic Multi Academy Company meets the definition of a public benefit entity under FRS 102.

Transfer of State Maintained School to a Multi Academy Company

The transfer of state maintained schools to the St Francis and St Clare Catholic Multi Academy Company involved the transfer of identifiable assets and liabilities and the operation of the school for nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from the Local Authority to an academy trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. Their fair value is in accordance with the accounting policies set out for St Francis & St Clare Multi Academy Trust. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding net amount recognised as a net gain/loss in the Statement of Financial Activities and analysed as donations transferred from local authority on conversion. Further details of the transactions are set out in note 31.

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

The directors acknowledge that the academy has net liabilities of £13,081,000 at 31 August 2020 (2019 : £5,731,000), however this is driven by the transfer out of church land and buildings and the defined benefit pension scheme liability. This is a long term liability which provides no immediate cash pressure for the academy; parliament has also previously guaranteed that they would meet any outstanding local government pension liabilities in the event of academy closure. The academy has operational reserves of £3,291,000 at 31 August 2020 (2019 : £608,000) which is the key indicator of the academy's ability to continue as a going concern.

Income

All incoming resources are recognised when the St Francis and St Clare Catholic Multi Academy Company has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

- **Grants**

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

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)

- **Donations**

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured.

- **Other income**

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

Expenditure

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

- **Expenditure on Raising Funds**

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

- **Charitable Activities**

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

All resources expended are inclusive of irrecoverable VAT.

Tangible Fixed Assets

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Where academies are operating under a licence to occupy, the land and buildings are not recognised as fixed assets in the financial statements. This applies to the land and buildings occupied by St Francis and St Clare Catholic Multi Academy Company whereby it does not own any of the sites. The schools sites are owned by Birmingham Roman Catholic Diocesan Trustees and are made available to the schools by a Church Supplemental Agreement. Birmingham Roman Catholic Diocesan Trustees have given an undertaking to the Secretary of State that they will not give the multi academy company less than two years notice to terminate the occupation of the land and buildings.

Depreciation is provided on a straight line basis (except for motor vehicles which is on a reducing balance basis) on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. The principal annual rates used for assets are:

Fixtures and fittings	10% (10 years)
Computer equipment	33.3% (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 and reclassified to freehold or leasehold land and buildings.

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)**Liabilities**

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

Provisions

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

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

Leased assets

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

Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the academy trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in note 29.

Financial Instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 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 instrument, 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.

Taxation

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

Pensions Benefits

Retirement benefits to employees of the St Francis and St Clare Catholic Multi Academy Company are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes.

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

The LGPS is a multi funded employer scheme and the assets are held separately from those of the St Francis and St Clare Catholic Multi Academy Company in separate trustee administered funds.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)**Pensions Benefits (cont'd)**

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

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

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost/(income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The classification of expenditure between restricted and unrestricted is deemed as a critical area of judgement as certain expenditure can be applied to both funds. Where this is the case and the amounts in are considered material the expenditure is apportioned to both streams on an appropriate basis.

Tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors.

Critical areas of judgement

The critical judgements that the Directors have made in the process of applying the St Francis and St Clare Catholic Multi Academy Company's accounting policies that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below:

The critical areas of judgement are accounting for government grants and accounting for the pension liability. Government grants are accounted for as restricted funds when there is entitlement. The pension liability is assessed by an independent actuarial valuation.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)

Critical areas of judgement

In assessing whether there have been any indicators of impairment assets, the Directors have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. There have been no indicators of impairments identified during the current financial year.

2 GENERAL ANNUAL GRANT (GAG)

Under the funding agreement with the Secretary of State the St Francis and St Clare Catholic Multi Academy Company was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2020 (see note 17).

3 DONATIONS AND CAPITAL GRANTS

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2020 £'000	Total 2019 £'000
DfE/ESFA capital grants	-	467	467	131
Transfer of academies into academy trust				
- Revenue funds	251	993	1,244	-
- Capital funds	-	117	117	-
- Fixed assets donation	-	7,883	7,883	-
- Fixed assets fair value adjustment	-	(7,559)	(7,559)	-
- LGPS pension deficit transferred	-	(5,809)	(5,809)	-
Transferred from local authority on conversion				
- LA fixed assets transferred	-	-	-	-
- LA LGPS pension deficit transferred	-	(757)	(757)	-
- LA prior year surplus b/fwd	-	-	-	-
- Loans transferred from LA	-	-	-	-
- School fund prior years surplus b/fwd	-	-	-	-
Other Donations	287	-	287	24
	<u>538</u>	<u>(4,665)</u>	<u>(4,127)</u>	<u>155</u>

The income from donations and capital grants was a deficit of £4,127,000 (2019: surplus £155,000) of which £538,000 (2019: £14,000) was unrestricted, a deficit of £5,573,000 (2019: surplus £10,000) restricted and £908,000 (2019: £131,000) restricted fixed assets.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)

4 FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2020 £'000	Total 2019 £'000
DfE/ESFA grants				
General annual grant (GAG) (note 2)	-	17,286	17,286	7,425
Pupil premium grant	-	1,640	1,640	620
Teachers pay grant	-	622	622	-
Teachers pension grant	-	214	214	-
Universal free school meals	-	358	358	-
Conversion grants	-	120	120	-
Other DfE/ESFA grants	-	244	244	982
	-	20,484	20,484	9,027
Local authority grants	-	986	986	604
Special educational needs	-	258	258	75
	-	1,244	1,244	679
Exceptional Government funding				
Coronavirus Job Retention Scheme grant	-	12	12	-
Coronavirus funding support	-	10	10	-
Other Coronavirus funding	-	205	205	-
	-	227	227	-
Other income from the academy trust's educational operations:				
Other grants	-	26	26	-
Other income	21	-	21	-
	21	26	47	-
	21	21,981	22,002	9,706

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

- The academy furloughed some of its premises staff under the government's CJRS. The funding received of £12,000 relates to staff costs in respect of 1 member of staff which is included within notes 7 and 8.
- The coronavirus funding support covers £10,000 of support costs. These costs are included in notes 7 and 8.
- The funding received for coronavirus exceptional support covers £205,000 of free school meals and additional premises and cleaning costs. These costs are included in notes 7 and 8.

The income from the academy trusts' educational operations was £22,002,000 (2019: £9,706,000) of which £21,000 (2019: £314,000) was unrestricted and £21,981,000 (2019: £9,392,000) restricted.

5 OTHER TRADING ACTIVITIES

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2020 £'000	Total 2019 £'000
Hire of facilities	79	-	79	20
Other income	195	-	195	199
	274	-	274	219

The income from the academy trusts's trading activities was unrestricted for both 2020 and 2019.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)

6 INVESTMENT INCOME

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2020 £'000	Total 2019 £'000
Bank interest received	2	-	2	2
	<u>2</u>	<u>-</u>	<u>2</u>	<u>2</u>

The income from the academy trusts's investment income was unrestricted for both 2020 and 2019.

7 EXPENDITURE

	Staff Costs £'000	Non Pay Expenditure Premises £'000	Other Costs £'000	Total 2020 £'000	Total 2019 As Restated £'000
Expenditure on raising funds					
- Direct costs	-	-	-	-	-
- Allocated support costs	71	-	88	159	-
	<u>71</u>	<u>-</u>	<u>88</u>	<u>159</u>	<u>-</u>
Academy's educational operations					
- Direct costs	14,084	-	1,498	15,582	7,138
- Allocated support costs	3,334	1,395	1,456	6,185	3,265
	<u>17,418</u>	<u>1,395</u>	<u>2,954</u>	<u>21,767</u>	<u>10,403</u>
	<u>17,489</u>	<u>1,395</u>	<u>3,042</u>	<u>21,926</u>	<u>10,403</u>

The expenditure was £21,926,000 (2019: £10,403,000) of which £159,000 (2019: £342,000) was unrestricted, £21,659,000 (2019: £9,999,000) restricted and £108,000 (2019: £62,000) restricted fixed assets.

	Total 2020 £'000	Total 2019 As Restated £'000
Net income/(expenditure) for the year includes:		
Operating leases rentals	205	48
Depreciation	112	80
Fees payable to auditor for:		
- audit	25	16
- other services	5	5

8 CHARITABLE ACTIVITIES

	Total 2020 £'000	Total 2019 As Restated £'000
Direct costs - educational operations	15,582	7,138
Support costs - educational operations	6,185	3,265
	<u>21,767</u>	<u>10,403</u>
	Total	Total
	2020	2019
	£'000	£'000
Analysis of Support Costs		
Support staff costs	3,334	2,092
Depreciation	112	62
Technology costs	264	80
Premises costs	1,283	304
Governance	261	76
Legal costs - conversion	12	-
Legal costs - other	11	-
Other support costs	912	651
Gain on fixed assets disposal	(4)	-
	<u>6,185</u>	<u>3,265</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)

9 STAFF COSTS**a Staff costs**

Staff costs during the year were:

	Total 2020 £'000	Total 2019 £'000
Wages and salaries	12,492	5,971
Social security costs	1,082	526
Pension costs	3,613	1,513
	<u>17,187</u>	<u>8,010</u>

Agency staff costs	262	280
Staff restructuring costs	40	2
	<u>17,489</u>	<u>8,292</u>

Staff restructuring costs comprise:

Redundancy payments	8	2
Severance payments	10	-
Other restructuring costs	22	-
	<u>40</u>	<u>2</u>

b Staff severance payments

Included in staff restructuring costs is 1 (2019:1) non-statutory/non-contractual severance payment. Individually the payments were £9,664, paid on 1 September 2020 (2019: £2,018).

c Staff numbers

The average number of persons (including senior management team) employed by the academy trust during the year ended 31 August 2020 expressed as whole persons was as follows:

	2020 No	2019 No
Charitable Activities		
Teachers	193	86
Administration and support	295	99
Management	35	17
	<u>523</u>	<u>202</u>

d Higher paid staff

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

	2020 No	2019 No
£60,001 - £70,000	7	1
£70,001 - £80,000	1	1
£80,001 - £90,000	2	1
£90,001-£100,000	1	-
£110,001-£120,000	1	-
	<u>1</u>	<u>-</u>

e Key management personnel

The key management of the St Francis and St Clare Catholic Multi Academy Company comprise the directors and the senior management team as listed on page 3. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £2,875,167 (2019: £983,296).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)

10 CENTRAL SERVICES

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

- central staff;
- company secretarial;
- governance and strategic direction;
- school improvement;
- human resources;
- budgeting software.

St Francis and St Clare Catholic Multi Academy Company charges 4.5% of total GAG income for these services.

There were no central services provided by the trust for 2019, as all central costs were directly allocated to the academies.

	2020	2019
	£'000	£'000
The actual amounts charged during the year were as		
St Edmunds Catholic Academy	192	-
SS Peter and Paul Catholic Primary Academy and Nursery	39	-
St Michael's Catholic Primary Academy and Nursery	35	-
St Teresa's Catholic Primary Academy	40	-
SS Mary and John's Primary Academy	44	-
Our Lady and St Chad Catholic Academy	210	-
Corpus Christi Catholic Primary Academy	35	-
St Mary's catholic Primary Academy	82	-
Holy Rosary Catholic Primary Academy	43	-
St Patrick's Catholic Primary Academy	18	-
	738	-

11 RELATED PARTY TRANSACTIONS - DIRECTORS' REMUNERATION AND EXPENSES

One or more directors has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff directors only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment.

The value of directors' remuneration and other benefits was as follows:

J Hanslip (Principal and Director) (resigned 31 August 2019)

Remuneration	£Nil (2019: £55,000 - £60,000)
Employer's pension contributions paid	£Nil (2019: £5,000 - £10,000)

A Rose (resigned 31 August 2019)

Remuneration	£Nil (2019: £30,000 - £35,000)
Employer's pension contributions paid	£Nil (2019: £0 - £60,000)

M Hazeldine (resigned 31 August 2019)

Remuneration	£Nil (2019: £80,000 - £85,000)
Employer's pension contributions paid	£Nil (2019: £10,000 - £15,000)

S McHale (resigned 31 August 2019)

Remuneration	£Nil (2019: £55,000 - £60,000)
Employer's pension contributions paid	£Nil (2019: £5,000 - £10,000)

During the year ended 31 August 2020, travel and subsistence expenses totalling £Nil were reimbursed or paid directly to no directors (2019: £462 to one director).

12 DIRECTORS AND OFFICERS INSURANCE

In accordance with normal commercial the academy has purchased insurance to protect directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim. The cost of this insurance is included in the total insurance cost.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)

13 TANGIBLE FIXED ASSETS

	Leasehold Land & Buildings As Restated £'000	Fixtures & Fittings As Restated £'000	Computer Equipment £'000	Motor Vehicles £'000	Total As Restated £'000
Cost					
At 1 September 2019	18,014	280	577		18,871
Prior Year adjustment	(17,651)	-	-	-	(17,651)
Transfers on conversion		-	-	-	-
Transfers of academy into academy trust	95	119	107	3	324
Additions	419	21	13	-	453
Disposals	-	-	-	-	-
At 31 August 2020	<u>877</u>	<u>420</u>	<u>697</u>	<u>3</u>	<u>1,997</u>
Depreciation					
At 1 September 2019	2,089	116	518		2,723
Prior Year adjustment	(2,089)	-	-	-	(2,089)
Charged in year	8	41	63	-	112
Disposals	-	-	-	1	1
At 31 August 2020	<u>8</u>	<u>157</u>	<u>581</u>	<u>1</u>	<u>747</u>
Net book value					
At 31 August 2020	<u>869</u>	<u>263</u>	<u>116</u>	<u>2</u>	<u>1,250</u>
At 31 August 2019	<u>363</u>	<u>164</u>	<u>59</u>	<u>-</u>	<u>586</u>

The academy trust's transactions relating to land and buildings included the acquisition of leasehold playing fields donated by Birmingham City Council to the academy trust at a value of £95,000 on 125 year leases.

14 DEBTORS

	2020 £'000	2019 £'000
Trade debtors	14	5
VAT recoverable	178	123
Other debtors	203	104
Prepayments and accrued income	618	127
	<u>1,013</u>	<u>359</u>

15 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £'000	2019 £'000
Trade creditors	631	248
Other taxation and social security	297	133
Other creditors	234	8
Salix loan (note 16)	1	-
Accruals and deferred income	377	97
Deferred income	<u>442</u>	<u>101</u>
	<u>1,982</u>	<u>587</u>
Deferred Income		
Deferred income at 1 September 2019	101	135
Resources deferred in the	442	(135)
Amounts released from previous years	<u>(101)</u>	<u>101</u>
Deferred income at 31 August 2020	<u>442</u>	<u>101</u>

Deferred income at the year end of £441,893 (2019: £100,645) is in relation to grant monies received in advance for £428,009 (2019: £nil) MAT school condition allowance, £13,883 (2019: £nil) schools games organiser, £nil (2019: £53,754) universal infant free school meals, £nil (2019: £26,298) devolved formula capital and £nil (2019: £20,593) rates relief.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)

16 CREDITORS: AMOUNTS FALLING DUE IN GREATER THAN ONE YEAR

	2020 £'000	2019 £'000
Salix loan	6	-
	<u>6</u>	<u>-</u>

The Salix loan of £6,087 (2019: £Nil) is provided interest free and is repayable over 8 years. Included within other creditors due within one year is a balance of £1,353 in respect of a Salix loan due to the ESFA.

17 FUNDS

The income funds of the academy applied for specific purposes are as follows:

	Balance at 1 September 2019 As Restated £'000	Incoming Resources £'000	Resources Expended £'000	Gains, Losses & Transfers £'000	Balance at 31 August 2020 £'000
Restricted general funds					
General annual grant (GAG) (note i)	1	17,088	(14,985)	98	2,202
Pupil premium grant (note ii)	-	1,654	(1,654)	-	-
Other DfE/ESFA (note iii)	-	1,616	(1,616)	-	-
Other LA grants	-	1,699	(1,699)	-	-
Other Grants	-	53	(114)	61	-
School trips	-	7	-	-	7
Donated assets	16	857	(873)	-	-
Total general funds	<u>17</u>	<u>22,974</u>	<u>(20,941)</u>	<u>159</u>	<u>2,209</u>
Restricted fixed asset funds					
DfE/ESFA capital grants (note vii)	266	693	(81)	-	878
Capital expenditure from GAG (note	-	98	(25)	26	99
Other capital grants	-	22	-	-	22
Donated assets	363	95	(2)	-	456
Total fixed asset funds	<u>629</u>	<u>908</u>	<u>(108)</u>	<u>26</u>	<u>1,455</u>
Restricted pension scheme liability					
Pension reserve (note viii)	(6,968)	(6,566)	(718)	(3,575)	(17,827)
	<u>(6,968)</u>	<u>(6,566)</u>	<u>(718)</u>	<u>(3,575)</u>	<u>(17,827)</u>
Total restricted funds	<u>(6,322)</u>	<u>17,316</u>	<u>(21,767)</u>	<u>(3,390)</u>	<u>(14,163)</u>
Unrestricted funds (note ix)	<u>591</u>	<u>835</u>	<u>(159)</u>	<u>(185)</u>	<u>1,082</u>
Total unrestricted funds	<u>591</u>	<u>835</u>	<u>(159)</u>	<u>(185)</u>	<u>1,082</u>
Total funds	<u>(5,731)</u>	<u>18,151</u>	<u>(21,926)</u>	<u>(3,575)</u>	<u>(13,081)</u>

Notes

- i) GAG must be used for the normal running costs of the St Francis and St Clare Catholic Multi Academy Company. Under the funding agreement with the Secretary of State, St Francis and St Clare Catholic Multi Academy Company was not subject to a limit on the amount of GAG that it would carry forward at 31 August 2020 (see note 2).
- ii) Pupil premium grant has been used to support children from low income families placed in the MAC.
- iii) Grants received from the ESFA used to support expansion of the academy trust, teaching pay increases, free school meals, rates costs and PE costs.
- iv) Special needs grant has been used to support enhanced learning for children with special educational needs.
- v) Other grants have been used to support science projects and breakfast clubs.
- vi) School funds are contributions received from parents which are used to support the MAC's activities.
- vii) Restricted fixed asset additions were funded by DfE/ESFA grants and transfers from restricted funds.
- viii) The pension reserve represents the deficit on the LGPS (see note 27).
- ix) Unrestricted funds represent those resources which may be used towards meeting any of the charitable objectives of the academy trust at the discretion of the directors.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)

17 FUNDS (cont'd)

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

	Balance at 1 September 2018 As Restated £'000	Incoming Resources £'000	Resources Expended As Restated £'000	Gains, Losses & Transfers As Restated £'000	Balance at 31 August 2019 As Restated £'000
Restricted general funds					
General annual grant (GAG) (note i)	144	8,045	(8,233)	45	1
Pupil premium grant (note ii)	-	620	(620)	-	-
Other DfE/ESFA (note iii)	-	362	(362)	-	-
Other Grants	-	365	(365)	-	-
Donated assets	6	10	-	-	16
Total general funds	150	9,402	(9,580)	45	17
Restricted fixed asset funds					
DfE/ESFA capital grants (note vii)	1,419	131	(62)	(1,222)	266
Capital expenditure from GAG (note i)	283	-	-	(283)	-
Donated assets	8,773	-	-	(8,773)	-
Assets on conversion	6,007	-	-	(5,644)	363
Total fixed asset funds	16,482	131	(62)	(15,922)	629
Restricted pension scheme liability					
Pension reserve	(5,570)	-	(419)	(979)	(6,968)
	(5,570)	-	(419)	(979)	(6,968)
Total restricted funds	11,062	9,533	(10,061)	(16,856)	(6,322)
Unrestricted funds	429	549	(342)	(45)	591
Total unrestricted funds	429	549	(342)	(45)	591
Total funds	11,491	10,082	(10,403)	(16,901)	(5,731)

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

Restricted general funds

Funds from the ESFA for the provision of education in line with the funding agreement.

The Pension reserve of £6,968,000 represents the Academy Trust's share of the deficit in the West Midlands Pension Fund.

Restricted fixed assets funds

The restricted fixed asset funds relate predominantly to the assets acquired on conversion to an Academy Trust, being the properties.

Unrestricted funds

The unrestricted funds represent the surplus generated by the trust on activities for generating funds.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)

17 FUNDS (cont'd)

TOTAL FUND ANALYSIS BY ACADEMY

	2020	2019
		As Restated
	£'000	£'000
Fund balances at 31 August 2020 were allocated as follows:		
St Edmunds Catholic Academy	744	171
SS Peter and Paul Catholic Primary Academy and Nursery	21	41
St Michael's Catholic Primary Academy and Nursery	126	95
St Teresa's Catholic Primary Academy	145	200
SS Mary and John's Catholic Primary Academy	186	101
Our Lady and St Chad Catholic Academy	1,351	-
Corpus Christi Catholic Primary Academy	(62)	-
St Mary's Catholic Primary Academy	516	-
Holy Rosary Catholic Primary Academy	150	-
St Patrick's Catholic Primary Academy	88	-
St Francis and St Clare Catholic Multi Academy Company	26	-
Total before fixed assets and pension reserve	3,291	608
Restricted fixed assets fund	1,455	629
Pension reserve	(17,827)	(6,968)
Total	(13,081)	(5,731)

On 1 September 2019, Corpus Christi Catholic Primary Academy joined St Frances and St Clare Catholic Multi Academy Company with a cumulative deficit on revenue funds of £116,000. During the year ended 31 August 2020 this has improved to a cumulative deficit of £62,000. An increase in income for the year ending 31 August 2021, coupled with restrictions on discretionary spend mean that the school is expected to achieve a cumulative revenue surplus by 31 August 2021.

TOTAL COST ANALYSIS BY ACADEMY

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

	Teaching and Educational Support Staff Costs	Other Support Staff Costs	Educational Supplies	Other Costs (excluding Deprec'n)	Total 2020	Total 2019
	£'000	£'000	£'000	£'000	£'000	£'000
St Edmunds	3,736	735	369	453	5,293	5,927
SS Peter and Paul	814	142	64	121	1,141	1,227
St Michael's	726	129	81	145	1,081	1,140
St Teresa's	779	107	95	153	1,134	1,155
SS Mary and John's	781	104	81	145	1,111	1,300
Our Lady and St Chad	3,961	425	491	978	5,855	-
Corpus Christi	667	139	53	116	975	-
St Mary's	1,359	276	162	305	2,102	-
Holy Rosary	690	115	75	168	1,048	-
St Patrick's	338	39	26	82	485	-
St Francis and St Clare	233	1,123	1	232	1,589	-
Total	14,084	3,334	1,498	2,898	21,814	10,749

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)

18 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2020 are represented by:

	Unrestricted	General	Fixed	
	Funds	Restricted	Assets	
	Funds	Funds	Restricted	Total
	£'000	£'000	£'000	£'000
Tangible fixed assets	-	-	1,250	1,250
Current assets	1,089	4,190	205	5,484
Current liabilities	(7)	(1,975)	-	(1,982)
Non current liabilities	-	(6)	-	(6)
Pension scheme liability	-	(17,827)	-	(17,827)
	1,082	(15,618)	1,455	(13,081)

Fund balances at 31 August 2019 are represented by:

	Unrestricted	General	Fixed	
	Funds	Restricted	Assets	
	Funds	Funds	Restricted	Total
	£'000	£'000	As Restated £'000	As Restated £'000
Tangible fixed assets	-	-	586	586
Current assets	591	604	43	1,238
Current liabilities	-	(587)	-	(587)
Pension scheme liability	-	(6,968)	-	(6,968)
	591	(6,951)	629	(5,731)

19 CAPITAL COMMITMENTS

	2020	2019
	£'000	£'000
Contracted for, but not provided in the financial statements	Nil	Nil
Authorised by trustees, but not yet contracted for	1,327	Nil

20 COMMITMENTS UNDER OPERATING LEASES

Operating leases

At 31 August 2020 the total of the St Francis and St Clare Catholic Multi Academy Company's future minimum lease payments under non-cancellable operating leases was:

	2020	2019
	Other	Other
	£'000	£'000
Amounts due within one year	241	44
Amounts due between one and five years	265	52
Amounts due after five years	-	-
	506	96

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)

21 RECONCILIATION OF NET EXPENDITURE TO CASH FLOW FROM OPERATING ACTIVITIES

	2020	2019
	£'000	As Restated £'000
Net expenditure for the reporting period (as per the statement of financial activities)	(7,350)	(321)
Adjusted for:		
Depreciation (note 13)	112	62
Fixed asset donations from local authority (note 32)	-	-
Fixed asset donations transferred from existing academy trust (note 31)	(324)	-
LGPS pension deficit transfer from local authority (note 32)	757	-
LGPS pension deficit transfer from existing academy trust (note 31)	5,809	-
Capital grants from DfE and other capital income	(467)	(131)
Interest receivable	(2)	(2)
Defined benefit pension scheme cost less contributions payable (note 27)	480	279
Defined benefit pension scheme finance cost (note 27)	238	141
Increase in debtors	(654)	(39)
Increase/(decrease) in creditors	1,394	(39)
Net cash used in operating activities	(7)	(50)

22 CASH FLOWS FROM INVESTING ACTIVITIES

	2020	2019
	£'000	£'000
Dividends, interest and rents from investments	2	2
Purchase of tangible fixed assets	(453)	(89)
Proceeds from the disposal of tangible fixed assets	1	-
Capital grants from DfE/ESFA	467	131
Capital grants received from sponsors and others	-	-
Net cash provided by investing activities	17	44

23 CASH FLOWS FROM FINANCING ACTIVITIES

Repayments of borrowing	(1)	-
Cash inflows from new borrowing	8	-
Net cash provided by financing activities	7	-

24 ANALYSIS OF CASH AND CASH EQUIVALENTS

	At 31 Aug 2020	At 31 Aug 2019
	£'000	£'000
Cash in hand and at bank	896	879
Notice deposits (less than 3 months)	-	-
Total cash and cash equivalents	896	879

25 ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2019	Cash Flows	At 31 Aug 2020
	£'000	£'000	£'000
Cash at bank	879	3,592	4,471
Overdraft	-	-	-
	879	3,592	4,471
Loans within one year	-	(1)	(1)
Loans within more than one year	-	(6)	(6)
	879	3,585	4,464

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)**26 MEMBERS' LIABILITY**

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

27 PENSION AND SIMILAR OBLIGATIONS

The St Francis and St Clare Catholic Multi Academy Company'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 West Midlands Pension Fund. Both are defined multi employer benefit schemes.

As described in note 1 the LGPS obligation relates to the employees of the St Francis and St Clare Catholic Multi Academy Company, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the multi academy trust at the balance sheet date.

The total pension cost to the St Francis and St Clare Catholic Multi Academy Company during the year ended 31 August 2020 was £3,613,000 (2019: £1,513,271) of which £1,852,000 (2019: £541,271) relates to the TPS and £1,761,000 (2019: £972,000) relates to LGPS.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2016.

There was £226,637 of outstanding pension contributions at 31 August 2020.

Teachers' Pension Scheme**Introduction**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions 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
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

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

The employers costs paid to TPS in the period amounted to £1,852,000 (2019: £541,271).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)

27 PENSION AND SIMILAR OBLIGATIONS (cont'd)

Under the definitions set out in FRS 102, the TPS is a 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

The LGPS is a funded defined benefit scheme, with the assets held in a separate trustee administered funds. The total contributions made for the year ended 31 August 2020 was £1,986,000 (2019: £1,093,000) of which employers contributions totalled £1,761,000 (2019: £972,000) and employees contributions totalled £225,000 (2019: £121,000). The agreed contributions for future years is 20.9% for employers and between 5.5% and 11.4% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding local government pension 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
	% per annum	% per annum
The major assumptions used by the actuary were:		
Rate of increase in salaries	3.3%	3.7%
Rate of increase for pensions in payment/inflation	2.3%	2.2%
Discount rate for scheme liabilities	1.6%	1.9%

The current mortality assumptions include sufficient allowance for future improvements in mortality rates.

The assumed life expectations on retirement age 65 are:

	At 31 August 2020	At 31 August 2019
	years	years
Longevity at age 65 retiring today		
- Men	21.9	20.9
- Women	24.1	23.2
Longevity at age 65 retiring in 20 years		
- Men	23.8	22.6
- Women	26.0	25.1

Sensitivity analysis

	At 31 August 2020	At 31 August 2019
	£'000	£'000
Discount rate +0.1%	(687)	(268)
Discount rate -0.1%	706	143
Mortality assumption -1year increase	1,047	412
Mortality assumption -1year decrease	(1,007)	(397)
CPI rate +0.1%	614	234
CPI rate -0.1%	(597)	(229)

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

	Fair value at 31 August 2020	Fair value at 31 August
	£'000	£'000
Equities	4,847	2,489
Government bonds	936	393
Other bonds	335	156
Property	650	338
Cash/liquidity	572	150
Other bonds	1,288	614
Total market value of assets	8,628	4,140

The actual return on scheme assets was £713,000 (2019: £50,000).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)**27 PENSION AND SIMILAR OBLIGATIONS (cont'd)**

Amounts recognised in the Statement of Financial Activities:

	2020	2019
	£'000	£'000
Current service cost (net of employee contribution)	1,523	703
Past service cost	-	128
Administration expenses	4	1
Interest income	(135)	(95)
Interest cost	369	235
Total operating charge	1,761	972

Changes in deficit during the year were as follows:

	£'000	£'000
Balance at 1 September 2019	6,968	5,570
Transfer of existing academies	5,809	-
Transfer on conversion	757	-
Employer service cost (net of employee contributions)	1,523	703
Employer contributions	(1,043)	(552)
Expected return on scheme assets	(135)	(95)
Interest cost	369	235
Administration expenses	4	1
Actuarial losses	3,575	978
At 31 August 2020	17,827	6,840

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

	£'000	£'000
Balance at 1 September 2019	11,108	8,852
Transfer of existing academies	8,153	-
Transfer on conversion	1,270	-
Current service cost	1,523	703
Past service cost	-	128
Interest cost	369	235
Employee contributions	225	121
Benefits paid	(169)	(48)
Actuarial losses	3,976	1,117
At 31 August 2020	26,455	11,108

Changes in the fair value of academy's share of scheme assets

	2020	2019
	£'000	£'000
Balance at 1 September 2019	4,140	3,282
Transfer of existing academies	2,344	-
Transfer on conversion	513	-
Expected return on scheme assets	135	95
Actuarial gains	401	139
Employer contributions	1,043	552
Benefits paid	(169)	(48)
Administration expenses	(4)	(1)
Employee contributions	225	121
At 31 August 2020	8,628	4,140

The estimated value of employer contributions for year ended 31 August 2021 is £1,236,000 (2020: £541,000).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)**28 RELATED PARTY TRANSACTIONS**

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local and private sector organisations, transactions may take with in which the trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the trust's financial regulations and normal procurement procedures. No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 11.

29 AGENCY ARRANGEMENTS

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting year ending 31 August 2020 the academy trust received £28,492 (2019: £14,807) and disbursed £22,404 (2019: £14,807) from the fund. An amount of £8,284 (2019: £Nil) is included in other creditors relating to undistributed funds that is repayable to the ESFA.

30 PRIOR YEAR ADJUSTMENT

Following a change to the Academies Accounts Direction land and buildings accounting policy in 2016/17, which concluded that where an Academy Trust does not have control over its land and buildings, either because of the Church's ultimate right to determine access, or because of the Church's right to consent to works, including capital works, or for other reasons, then the land and buildings would not meet the definition of an asset of the academy trust.

St Francis and St Clare Catholic Multi Academy Company occupies its land and buildings under a church supplemental agreement with Birmingham Roman Catholic Diocesan Trustees. This agreement gives St Francis and St Clare Catholic Multi Academy Company a licence to occupy the land and buildings with an undertaking from the Church to provide no less than two years notice to terminate the occupation of the land and buildings.

As a result of St Francis and St Clare Catholic Multi Academy Company land and buildings not meeting the definition of an asset given in the Academies Accounts Direction because of the church's ultimate right to determine access, or consent to works, the prior year reserves and primary statements have been restated to reflect the material change to the land and building accounting policy, of not including land and buildings owned by the Church on the academy trusts.

The effect of the change in the land and buildings accounting policy for the year ending 31 August 2020, has resulted in the cost of the land and buildings and accumulated depreciation being corrected by a prior year adjustment, which has decreased the net book value of the fixed assets by £17,651,000 the accumulated depreciation by £2,089,000 with a corresponding total adjustment to the fixed assets reserve of £15,562,000.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)

31 TRANSFER IN OF EXISTING ACADEMIES

Our Lady and St Chad Catholic Academy

	Value reported by transferring trust £'000	Fair value adjustments £'000	Transfer in recognised £'000
Tangible fixed assets			
Leasehold land	381	(350)	31
Leasehold buildings	3,692	(3,692)	-
Leasehold improvements	287	(287)	-
Computer equipment	71	-	71
Furniture & equipment	66	-	66
Motor vehicles	2	-	2
Current assets			
Debtors	2	-	2
VAT recoverable	63	-	63
Prepayments and accrued income	97	-	97
Inter MAT debtor	163	-	163
Cash at bank	1,445	-	1,445
Liabilities			
Creditors: amounts falling due within one year			
ESFA loans	-	-	-
Trade creditors	(377)	-	(377)
Tax and social security	(76)	-	(76)
Other creditors	(2)	-	(2)
Accruals	(59)	-	(59)
Deferred income	(27)	-	(27)
Inter MAT creditor	(6)	-	(6)
Creditors: amounts falling due in greater than one year			
ESFA loans	-	-	-
Pensions			
Pensions - pension scheme assets	-	-	*
Pensions - pension scheme liabilities	-	-	*
Net assets	5,722	(4,329)	1,393

On 1 September 2019 the assets and liabilities of Our Lady and St Chad Catholic Academy were transferred to St Francis and St Clare Catholic Multi Academy Company. An equal amount of income is recognised for the transfer of an existing academy into the academy trust within donations and capital grant income to the net assets acquired.

NB* No allocation of academy pension scheme assets and liabilities have been provided for each academy on economic grounds. However, details of the total pension scheme assets and liabilities have been disclosed within the transferred centralised multi academy company obligations and in Note 27.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)

31 TRANSFER IN OF EXISTING ACADEMIES (Cont'd)

Corpus Christi Catholic Primary Academy

	Value reported by transferring trust £'000	Fair value adjustments £'000	Transfer in recognised £'000
Tangible fixed assets			
Leasehold land	57	(34)	23
Leasehold buildings	989	(989)	-
Leasehold improvements	166	(166)	-
Computer equipment	8	-	8
Furniture & equipment	12	-	12
Motor vehicles	-	-	-
Current assets			
Debtors	1	-	1
VAT recoverable	6	-	6
Prepayments and accrued income	37	-	37
Inter MAT debtor	7	-	7
Cash at bank	90	-	90
Liabilities			
Creditors: amounts falling due within one year			
ESFA loans	(1)	-	(1)
Trade creditors	(49)	-	(49)
Tax and social security	(8)	-	(8)
Other creditors	(1)	-	(1)
Accruals	(21)	-	(21)
Deferred income	(12)	-	(12)
Inter MAT creditor	(125)	-	(125)
Creditors: amounts falling due in greater than one year			
ESFA loans	(7)	-	(7)
Pensions			
Pensions - pension scheme assets	-	-	*
Pensions - pension scheme liabilities	-	-	*
Net liabilities	1,149	(1,189)	(40)

On 1 September 2019 the assets and liabilities of Corpus Christi Catholic Primary Academy were transferred to St Francis and St Clare Catholic Multi Academy Company. An equal amount of income is recognised for the transfer of an existing academy into the academy trust within donations and capital grant income to the net assets acquired.

NB* No allocation of academy pension scheme assets and liabilities have been provided for each academy on economic grounds. However, details of the total pension scheme assets and liabilities have been disclosed within the transferred centralised multi academy company obligations and in Note 27.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)

31 TRANSFER IN OF EXISTING ACADEMIES (Cont'd)

St Mary's Catholic Primary Academy

	Value reported by transferring trust £'000	Fair value adjustments £'000	Transfer in recognised £'000
Tangible fixed assets			
Leasehold land	70	(59)	11
Leasehold buildings	1,231	(1,231)	-
Leasehold improvements	45	(45)	-
Computer equipment	18	-	18
Furniture & equipment	34	-	34
Motor vehicles	1	-	1
Current assets			
Debtors	2	-	2
VAT recoverable	22	-	22
Prepayments and accrued income	74	-	74
Inter MAT debtor	21	-	21
Cash at bank	268	-	268
Liabilities			
Creditors: amounts falling due within one year			
ESFA loans	-	-	-
Trade creditors	(130)	-	(130)
Tax and social security	(26)	-	(26)
Other creditors	-	-	-
Accruals	(29)	-	(29)
Deferred income	(29)	-	(29)
Inter MAT creditor	(9)	-	(9)
Creditors: amounts falling due in greater than one year			
ESFA loans	-	-	-
Pensions			
Pensions - pension scheme assets	-	-	*
Pensions - pension scheme liabilities	-	-	*
Net assets	1,563	(1,335)	228

On 1 September 2019 the assets and liabilities of St Mary's Catholic Primary Academy were transferred to St Francis and St Clare Catholic Multi Academy Company. An equal amount of income is recognised for the transfer of an existing academy into the academy trust within donations and capital grant income to the net assets acquired.

NB* No allocation of academy pension scheme assets and liabilities have been provided for each academy on economic grounds. However, details of the total pension scheme assets and liabilities have been disclosed within the transferred centralised multi academy company obligations and in Note 27.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)

31 TRANSFER IN OF EXISTING ACADEMIES (Cont'd)

Holy Rosary Catholic Primary Academy

	Value reported by transferring trust £'000	Fair value adjustments £'000	Transfer in recognised £'000
Tangible fixed assets			
Leasehold land	55	(25)	30
Leasehold buildings	641	(641)	-
Leasehold improvements	40	(40)	-
Computer equipment	10	-	10
Furniture & equipment	7	-	7
Motor vehicles	-	-	-
Current assets			
Debtors	2	-	2
VAT recoverable	6	-	6
Prepayments and accrued income	42	-	42
Inter MAT debtor	2	-	2
Cash at bank	131	-	131
Liabilities			
Creditors: amounts falling due within one year			
ESFA loans	-	-	-
Trade creditors	(83)	-	(83)
Tax and social security	(10)	-	(10)
Other creditors	-	-	-
Accruals	(13)	-	(13)
Deferred income	(12)	-	(12)
Inter MAT creditor	(23)	-	(23)
Creditors: amounts falling due in greater than one year			
ESFA loans	-	-	-
Pensions			
Pensions - pension scheme assets	-	-	*
Pensions - pension scheme liabilities	-	-	*
Net assets	795	(706)	89

On 1 September 2019 the assets and liabilities of Holy Rosary Catholic Primary Academy were transferred to St Francis and St Clare Catholic Multi Academy Company. An equal amount of income is recognised for the transfer of an existing academy into the academy trust within donations and capital grant income to the net assets acquired.

NB* No allocation of academy pension scheme assets and liabilities have been provided for each academy on economic grounds. However, details of the total pension scheme assets and liabilities have been disclosed within the transferred centralised multi academy company obligations and in Note 27.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)

31 TRANSFER IN OF EXISTING ACADEMIES (Cont'd)

Pope John XXIII Centralised MAC

	Value reported by transferring trust £'000	Fair value adjustments £'000	Transfer in recognised £'000
Tangible fixed assets			
Leasehold land	-	-	-
Leasehold buildings	-	-	-
Leasehold improvements	-	-	-
Computer equipment	-	-	-
Furniture & equipment	-	-	-
Motor vehicles	-	-	-
Current assets			
Debtors	-	-	-
VAT recoverable	33	-	33
Prepayments and accrued income	-	-	-
Inter MAT debtor	-	-	-
Cash at bank	12	-	12
Liabilities			
Creditors: amounts falling due within one year			
ESFA loans	-	-	-
Trade creditors	-	-	-
Tax and social security	-	-	-
Other creditors	-	-	-
Accruals	-	-	-
Deferred income	-	-	-
Inter MAT creditor	(30)	-	(30)
Creditors: amounts falling due in greater than one year			
ESFA loans	-	-	-
Pensions			
Pensions - pension scheme assets *	2,344	-	2,344
Pensions - pension scheme liabilities *	(8,153)	-	(8,153)
Net liabilities	<u>(5,794)</u>	<u>-</u>	<u>(5,794)</u>

On 1 September 2019 the assets and liabilities of Pope John XXIII Centralise MAC were transferred to St Francis and St Clare Catholic Multi Academy Company. An equal amount of income is recognised for the transfer of an existing academy into the academy trust within donations and capital grant income to the net assets acquired.

NB* No allocation of academy pension scheme assets and liabilities have been provided for each academy on economic grounds. However, details of the total pension scheme assets and liabilities have been disclosed within the transferred centralised multi academy company obligations and in Note 27.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)**32 CONVERSION TO AN ACADEMY TRUST**

On 1 March 2020 St Patrick's Catholic Primary Academy converted to Academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to the St Francis and St Clare Multi Academy Company from Birmingham City Council for nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain/(loss) in the Statement of Financial Activities as donations transferred from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities.

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds
	£'000	£'000	£'000	£'000
Leasehold land and buildings	-	-	-	-
Furniture and computer equipment	-	-	-	-
School Fund	-	-	-	-
Budget surplus on LA funds	-	-	-	-
LGPS pension deficit	-	(757)	-	(757)
Net assets/(liabilities)	-	(757)	-	(757)

The above net assets/(liabilities) include £Nil that were transferred as cash.

33 POST BALANCE SHEET EVENTS

There are no material adjusting or non adjusting events arising after the balance sheet date.