


REGISTERED COMPANY NUMBER: 09064485 (England and Wales)

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021
FOR
OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
COMPANY
PREVIOUSLY KNOWN AS
OUR LADY OF LOURDES MULTI-ACADEMY
COMPANY**

Luckmans Duckett Parker Limited
Chartered Accountants
Statutory Auditors
1110 Elliott Court
Herald Avenue
Coventry Business Park
Coventry
West Midlands
CV5 6UB

WEDNESDAY



AB3A40SP

A03	04/05/2022	#18
COMPANIES HOUSE		
A06	28/02/2022	#176
COMPANIES HOUSE		

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**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
COMPANY**

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for the year ended 31 August 2021**

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**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
COMPANY**

**REFERENCE AND ADMINISTRATIVE DETAILS
for the year ended 31 August 2021**

MEMBERS:	D Palmer A Hardy J Veasey	
TRUSTEES	N A Burke P A Dean (resigned 31.8.21) B M Mackie A Tamburro (resigned 31.8.21) M A C Tilt Vice Chair V Wells C Bird M Connolly T Rohan (resigned 31.8.21) Y Brennan Chair (appointed 1.9.21) K Gordon (appointed 1.9.21) M Fletcher (appointed 1.9.21)	
COMPANY SECRETARY	A P Cullwick	
REGISTERED OFFICE	12 The Oaks Clews Road Redditch Worcestershire B98 7ST	
REGISTERED COMPANY NUMBER	09064485 (England and Wales)	
AUDITORS	Luckmans Duckett Parker Limited Chartered Accountants Statutory Auditors 1110 Elliott Court Herald Avenue Coventry Business Park Coventry West Midlands CV5 6UB	
BANKERS	Lloyds Bank PLC 19 Church Green E Redditch B98 8BZ	
KEY MANAGEMENT PERSONNEL	Principal of St Augustine's Catholic High School	G O'Connor
	Principal of St Bede's Catholic Middle School and Accounting Officer (01/09/2020 to 31/12/2020)	L Roberts

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
COMPANY**

**REFERENCE AND ADMINISTRATIVE DETAILS
for the year ended 31 August 2021**

Principal of Our Lady of Mount Carmel Catholic First School	M Woods
Principal of St Peter's Catholic First School	C Clubley
Principal of St Thomas More Catholic First School	T Moriani
Head of Trinity Catholic School	J Shires
Head of St Bede's Catholic Middle School	L Payton
Catholic Senior Executive Leader (CSEL) and Accounting Officer (both from 01/01/2021)	T Leverage
Chief Finance and Operations Officer	A Cullwick

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
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**REPORT OF THE TRUSTEES
for the year ended 31 August 2021**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) and the Academies Accounts Direction issued by the Education and Skills Funding Agency.

The trust operates a multi-academy for pupils aged 4-18 for children living in Bromsgrove, Redditch, Leamington Spa and surrounding areas. It has a pupil number on roll of 2,955 from Reception through to Sixth Form.

The Our Lady of Lourdes Catholic Multi-Academy is made up of the following schools:

St Thomas More Catholic First School
Our Lady of Mount Carmel Catholic First School
Saint Peter's Catholic First School
Saint Bede's Catholic Middle School
Saint Augustine's Catholic High School
Saint Augustine's Teaching School
Trinity Catholic School

OBJECTIVES AND ACTIVITIES

Objectives and aims

The principal object and aims of the Company are specifically restricted to the following:

"to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing Catholic schools offering a broad and balanced curriculum and conducted as Catholic Schools in accordance with the Code of Canon Law of the Latin Church from time to time and the doctrinal, social and moral teachings of the Catholic Church from time to time and following the directives and policies issued by the Diocesan Bishop to ensure that the formation, governance and education of the Academies is based on the principles of Catholic doctrine, and at all times serving as a witness to the Catholic faith".

The main MAC objectives set were:-

1. To promote the Catholic ethos
2. To provide a seamless Catholic based Education to all
3. To provide outstanding Teaching and Learning
4. To provide a safe environment for pupils to learn
5. To provide outstanding pastoral care to our students
6. To provide professional opportunities for our staff
7. To develop the whole person

Significant activities

The schools within the Multi Academy have undertaken activities to ensure the principal objectives and aims of the Multi Academy are achieved. They have done this through:

- * Developing shared working practices for leadership
- * Support schools beyond the Catholic sector to provide excellent teaching and learning facilities including in the provision of IT services
- * Working with partner Catholic schools to promote and develop Catholic education
- * Partaking in collective worship both across the MAC and the Archdiocese of Birmingham
- * Working collaboratively to join the multi-academy with a partner Catholic multi-academy to further strengthen partnership work

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
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**REPORT OF THE TRUSTEES
for the year ended 31 August 2021**

OBJECTIVES AND ACTIVITIES

Public benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commissioner's general guidance on public benefit when reviewing the Academy's objectives and aims and in planning future activities for the year. The Trustees consider that the Academies are demonstrably to the public benefit.

Each Academy is responsible for developing its own Strategic Improvement Plan which supports the Trust's Objectives as detailed above.

Each academy provides an inclusive education in line with the national curriculum framework which meets the Ofsted inspection guidelines. Enrichment activities are planned appropriate to each year group. Staff receive appropriate CPD to enable them to deliver these activities.

Each Academy meets its legal duties in terms of Health and Safety, Safeguarding and Child Protection and HR. Reports from the individual Academies to the Academy Local governing body detail progress against these aims at each meeting.

STRATEGIC REPORT

Achievement and performance

Charitable activities

The Achievements and Performance of our students can be linked to the objectives set by the individual schools and Multi Academy Company. The continued academic successes are achieved by the outstanding teaching and learning our students receive. Our student and parental surveys indicate that our school bodies feel safe with in their individual school environments. Our staff are challenged and held accountable for the achievements of each child. Each person has been given the opportunity to develop as an individual supported by our Pastoral care teams. We continue to strive to provide a seamless Catholic based Education to all.

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
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**REPORT OF THE TRUSTEES
for the year ended 31 August 2021**

STRATEGIC REPORT

Achievement and performance

Key financial performance indicators

Due to the COVID-19 pandemic, there were no statutory assessments again this year. The summary information presented below is based on teacher assessments. The latest teacher assessments from 2020 were done early in the year due to school closures. National data is from 2019.

MAC Primary Outcomes	2019	National (2019)	2020 (Internal)	2021 (Internal)
Early Years				
% Achieving a good level of development	72	72	69	66
Year 1 Phonics				
% Achieving a good level of development	89	82	79	77
End of Key Stage 1				
% Achieving expected standard or higher in reading	78	75	74	69
% Achieving greater depth in reading	27	25	29	24
% Achieving expected standard or higher in writing	68	69	65	65
% Achieving greater depth in writing	18	15	23	15
% Achieving expected standard or higher in maths	74	76	75	69
% Achieving greater depth in maths	20	22	18	18
End of Key Stage 2				
% Achieving expected standard or higher in reading	83	73	80	78
% Achieving a higher standard in reading	34	27	24	30
% Achieving expected standard or higher in writing	85	78	79	70
% Achieving a higher standard in writing	21	20	14	16
% Achieving expected standard or higher in maths	85	79	80	65
% Achieving a higher standard in maths	31	27	16	19

At key stage 4 and key stage 5, Teacher Assessment Grades (TAGs) were awarded by teachers based on the standard the student was currently performing at. The summary of the key stage 4 and key stage 5 results are presented below. National data for key stage 4 is from 2019, and key stage 5 data is from 2020. The cancellation of exams these past two years means that the data should not be directly compared to the data from the previous years for the purposes of measuring change in student performance.

MAC Secondary Outcomes	2019	National (2019)	2020 (Internal)	2021 (Internal)
Key Stage 4				
Attainment 8	51.6	46.7	53.5	54.2
English A8	10.8	9.9	10.7	11.6
Maths A8	9.9	9.1	10.5	10.3
Ebacc A8	14.6	13.5	15.5	15.7
Open A8	16.4	14.2	16.7	16.7
% Of students achieving grades 4+ in RE	75.2	71.0	77.9	78.1
% Of students achieving grades 4+ in English & maths	73.0	65.0	76.4	81.6
% Of students achieving grades 5+ in English & maths	50.9	43.0	56.9	61.8

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
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**REPORT OF THE TRUSTEES
for the year ended 31 August 2021**

STRATEGIC REPORT

Achievement and performance

Key Stage 5

APS per A Level Entry	34.21	39.51	39.50	39.10
Average Grade per A Level Entry	C+	B	B	B
APS per Applied General Entry	32.70	31.25	39.9	36.00
Average Grade per Applied General Entry	Dist-	Dist-	Dist+	Dist
% Achieving 3 A*-A grades or better	7.90	22.50	14.30	18.30

Indicator	Target	2021 Actual
All staff costs for the Multi Academy as a percentage of general annual grant income	Below 80%	89.83%
Multi Academy General Annual Grant balance remaining at end of financial year as a percentage of General Annual Grant income	5%	2.87%

Although the total staff costs are above the target percentage as a comparison to general annual grant income, the academy does receive other income directly related to salary costs that would reduce the actual percentage to 86.72%.

Attendance

It is not possible to report on attendance against National benchmarks since the National measures were suspended during the COVID pandemic. All schools within the multi-academy moved to online learning following an adapted curriculum model. All schools remained open throughout the pandemic to vulnerable and key worker pupils in line with the government guidance. The risk assessments and protocols were collated across the multi-academy by the central operations team. These were published on a central website for ease of reference for stakeholders including parents, local authorities and Union representatives.

All external reviews such as Ofsted, Section 48 and monitoring visits were suspended during this period of time due to the COVID pandemic. The multi-academy continued with a series of internal monitoring mechanisms including safeguarding, quality of education and health and safety reviews to support and promote the objectives of the company.

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
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**REPORT OF THE TRUSTEES
for the year ended 31 August 2021**

STRATEGIC REPORT

Achievement and performance

Promoting the success of the Multi-Academy Company

Section 172 of the Companies Act 2006 requires the directors to act in the way they consider, in good faith, would be most likely to promote the success of the charity to achieve its charitable purposes. The Act states that in doing so, the directors should have regard, amongst other matters, to:

The likely consequence of any decision in the long term

The Directors of Our Lady of Lourdes make all key decisions through reference to its long-term strategic plan and ensuring its actions support the articles of association as outlined in the multi-academy funding agreement. This strategy is primarily around the objective to promote, secure and develop Catholic Education within the Archdiocese of Birmingham and improve educational outcome for students. Every decision and operational approach are regularly reviewed for its impact on all stakeholders at both the full board and sub-committee level.

The interests of the company's employees

The multi-academy invests just over 75% of all funds into staffing. Our employees are recognised by directors to be our most valuable resource and are vital to our success. As such we regard ongoing, regular engagement with them as a top priority. We measure employee engagement through regular staff surveys and meetings with key stakeholders through forums such as the Headteacher conference and governor briefings. We address any issues raised by our employees as quickly as possible and communicate back to them what we have done. The multi-academy seeks to ensure that staff welfare is actively considered and addressed at all levels of the organisation. Through our health and safety policies as well as through local staff committees we also actively seek to ensure that the working environment meets the high standards we set for safety and security.

The impact of the company's operations on the community and the environment

We recognise our responsibility to care for the environment and aim to minimise our environmental impact in all our activities. As well as covering environmental issues in our school curriculum, the multi-academy encourages all staff and students to participate in initiatives to reduce negative environmental impacts. These include the promotion of recycling of waste and actions to maximise efficiency in energy consumption.

The desirability of the company maintaining a reputation for high standards of business conduct

Our reputation and public trust in our constituent schools is fundamental to our future success. We use our organisational ethos, mission, values and behaviours in our recruitment and training for our employees to ensure that we maintain high standards, and these are used in our appraisal processes.

The need to act fairly as between members of the company

Fairness in our dealings is upheld through having a clear and well communicated strategy, and financial discipline backed by strong internal controls. We have transparent reporting at regular intervals through the year, continual access to senior management and a track record of successful growth through new school joiners which have been appropriately integrated into the multi-academy. We aim to be a fully inclusive organisation and we will not unfairly discriminate against our students, staff or any other member of our community and stakeholders.

Financial review

Financial position

As a Multi Academy, our target was to maintain the level of reserves of 6 weeks of staffing costs, current combined General and GAG reserves are 4.7 weeks.

The Directors are aware of the individual Academies financial positions and have identified the risk areas. Financial sustainability plans are in place for the Academies to enable a minimum of a balanced budget to be achieved. The Academies generate additional income by parental collections for School fund, Service Level Agreements for IT support and employee reimbursement for services to schools and academies.

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
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**REPORT OF THE TRUSTEES
for the year ended 31 August 2021**

STRATEGIC REPORT

Financial review

Principal funding sources

Most of the Academy's income is obtained from the Education Skills and Funding Agency in the form of recurrent and capital grants, the use of which is restricted to purposes. The grants received during the year and the associated expenditure is shown as restricted funds in the Statement of Financial Activities.

The Academy received Devolved Formula Capital which supported capital works at all school sites. In accordance with the Charities Statement of Recommended Practice 'Accounting and Reporting by Charities: Statement of Recommended Practice' 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.

Investment policy and objectives

The Multi Academy has a Reserves, Investments and Borrowing policy which states that reserve funds will be held within Lloyds bank or in other instruments and investments as agreed from time to time by the Board of Directors. This will ensure that any surplus funds are deposited to maximise interest whilst maintaining a safe and secure investment.

Reserves policy

Any reserves held are in accordance with the requirements laid down in the Master Funding Agreement and by the Education Skills and Funding Agency (ESFA). The level of general reserves (excluding the pension reserve and fixed asset funds) held at 31st August 2021 are £411,309 Restricted and £717,105 Unrestricted. The Restricted Fixed Asset funds of £4,016,785 can only be realised by the sale of fixed assets and are therefore not included in the level of general reserves. The Directors review the level of reserves and policy for reserves annually.

Currently there is a target for each school to achieve a balanced in year budget and hold reserves of 6 weeks' worth of staffing costs. We have forecasted that Mount Carmel have some way to go to achieve this target. We have set a split target for unrestricted and restricted reserves on the understanding that surpluses on general funds will be used to fund restricted GAG.

Going concern

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

Funds in deficit

The pension reserve is materially in deficit. This reserve reflects the Multi-Academy Company's share of the deficit of its employees in the Local Government Pension Scheme. This company will continue to contribute towards the deficit reduction plan as agreed with the actuaries, as well as making its employer contributions based on the current service of employees. During 2021, this company paid £177,568 towards the deficit reduction plan and has agreed to make similar contributions towards the current deficit of £9,255,000. The Academy budgets for the additional cash contributions that are required to be made towards the Past Service Deficit.

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
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**REPORT OF THE TRUSTEES
for the year ended 31 August 2021**

STRATEGIC REPORT

Principal risks and uncertainties

The Academy has considerable reliance on continued government funding through the ESFA. The Academy's revenue is ultimately public funded, and this level of requirement is expected to continue with all funding from this source. There can be no assurance that government policy or practice will remain the same or that public funding will continue at the same level or on the same terms.

This risk is mitigated in several ways:

- * Funding is derived through several direct and indirect contractual arrangements
- * By ensuring the Academy is rigorous in delivering high quality education and training
- * Considerable focus and investment are placed on maintaining and managing key relationships with the ESFA

The financial statements report the share of the pension scheme deficit on the Academy's balance sheet in line with the requirements of FRS102. This has reduced risk since the government directive to support the pooling of risk with Local Authorities for the Academy.

Future plans

In December 2020 a proposal was considered by the Directors of the company to merge with Holy Family Multi-Academy Company. The newly merged company would subsequently be rebranded with a new identity as the largest multi-academy company within the Archdiocese of Birmingham. This took place on 1st September 2021 with the merged multi academy now consisting of 12 schools..

Rationale

The ambition of the proposed merger is to create the leading multi-academy within the Archdiocese of Birmingham and one that is Nationally recognised as being a centre of excellence for Catholic education and leadership. This proposal is fully supported by the Archdiocese of Birmingham who have identified a further 12 schools which could join the merged multi-academy making it significantly larger and more diverse than any other multi-academy within the Archdiocese.

Following the approval for Trinity Catholic School to join Our Lady of Lourdes, the officers of the Archdiocese met with headteachers and governors of partner Leamington primary schools in November 2020. It was proposed that these schools join the 'merged' multi-academy as soon as is reasonably practical, ideally by April 2023. It is worth noting that the desire amongst these primary schools to become academies is strong since they originally were due to convert in 2018 but this was delayed due to the financial position of Trinity Catholic School.

In January 2021 the company appointed a new CSEL (Catholic Senior Executive Leader) who will take up appointment to work across both multi-academies having been recruited with the primary purpose of facilitating the proposed merger. This will be the catalyst for bringing 24 schools together under one multi-academy.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Our Lady Of The Magnificat Multi-Academy Company are also the directors of the charitable company for the purposes of company law. The charitable company is known as Our Lady Of The Magnificat Multi-Academy Company, and comprises St Augustine's Catholic High School Academy, St Bedes Catholic Middle School Academy, St Thomas More Catholic First School, St Peters Catholic First School Academy, Trinity Catholic School and Our Lady of Mount Carmel Catholic First School Academy.

Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
COMPANY (REGISTERED NUMBER: 09064485)**

**REPORT OF THE TRUSTEES
for the year ended 31 August 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

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 they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before they cease to be a member.

Trustees' indemnities

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

Recruitment and appointment of new trustees

The management of the academy is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed. Any persons may be appointed by the Bishop. The Members may appoint such additional members as it thinks fit and may remove any such additional Members appointed by it. If the Members ceases to exist and is not replaced by a successor institution or becomes insolvent or makes any arrangement or composition with its creditors generally its right to appoint Members under the Articles shall vest in the Diocesan Bishop.

Those wishing to become members must complete an Academy Foundation Director Application form and submit to the Diocese for the approval of the Bishop. Any new member must complete the Deed of Adherence to the Scheme of Delegation and an undertaking to the Diocesan Bishop.

The Board of Directors structure: There must always be a least 3 Foundation Directors in post. In addition to the Full Board there are three subcommittees: Risk and Audit, Finance and Resources, Curriculum and Standards of which the Directors are members providing assurance, setting strategic direction and to monitor performance both academic and financial.

Organisational structure

The Board of Directors are responsible for the overall strategic direction of the Our Lady Of The Magnificat MAC. The Directors have a duty to act in the fulfilment of the Company's objectives.

The Directors are responsible for setting general policies across the multi-academy, adopting an annual Academy Business Plan and budget, monitoring the multi-academy by the use of budgets and making strategic decisions about the direction of the multi academy, capital expenditure and certain staff appointments.

The Board of Directors delegate responsibility for Leadership and Management to the executive leadership team of the Multi-Academy and Academy Local Governing Bodies. In turn the management of the individual schools is delegated to the Principal/Head teacher and Senior Leadership Team within the individual schools. The Senior Leadership Team are responsible at an executive level for implementing the policies laid down by Directors and reporting back to them through the various committees. The CSEL is currently the Accounting Officer and is responsible for the authorisation of spending within agreed budgets. Spending control is devolved to designated budget holder within a hierarchy of limits and in accordance with the approved Financial Regulations and Financial Scheme of Delegation.

Induction and training of new trustees

All trustees are provided with a number of documents to read and familiarise themselves with. These documents included the Articles of Association, Funding Agreement, Deed of adherence, Code of practice as set by the Diocese of Birmingham and the Academies Financial Handbook. Trustees are encouraged to work with Academy Representatives and visit each school to ensure they have a deep understanding of each school and its objectives. The founder trustees were provided with training on Director Roles and responsibility by the Solicitors Gateley's at opening. The Archdiocese of Birmingham Education Service provide training to all New and existing trustees.

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
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**REPORT OF THE TRUSTEES
for the year ended 31 August 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Key management remuneration

The executive leadership team of the Our Lady Of The Magnificat MAC are appointed and managed in accordance with the relevant professional standard: Teachers standard and ISBL professional standards.

Pay and remuneration are set in accordance with the Our Lady Of The Magnificat pay scale as agreed with the various Trade Unions. All personnel receive annual reviews where objectives are set to drive the Our Lady Of The Magnificat MAC Business plan. The Our Lady Of The Magnificat MAC has a pay policy which states the expectations of personnel in reference to pay increases.

Related parties

Owing to the nature of the academy trusts and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the 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.

Engagement with employees

Employees have a right and a duty to raise concerns which they may have about breaches of the law or propriety by the Our Lady Of The Magnificat MAC. This should normally be through their Line Manager but in circumstances where this is not appropriate they may approach a member of the Senior Leadership Team within their individual school in confidence. No individual who expresses their views in good faith and in line with this guidance will be penalised for doing so. Guidance and procedure is set within the Whistleblowing policy.

Disabled persons

No person is discriminated against due to a disability be that at recruitment or whilst during employed by the Our Lady Of The Magnificat MAC. Reasonable adjustments are made to the workplace to ensure no person is put at a disadvantage. Occupational Health team provide guidance to the Our Lady Of The Magnificat MAC in ensuring all employees needs are met.

Engagement with suppliers, customers and others

As one of the largest employers in the region, we recognise that our relationships with partners and suppliers is key to our effectiveness. The multi-academy actively seeks to engage in service reviews with all key suppliers where we will review both value for money and the balance between in-house and external service provision. We seek to foster open, professional relationships with all suppliers to ensure an ongoing, efficient review of service provision.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. Such reviews have taken place and systems and procedures have been established to manage those risks.

CHANGE OF NAME

The charitable company passed a special resolution on 28 May 2021 changing its name from Our Lady of Lourdes Multi-Academy Company to Our Lady Of The Magnificat Multi-Academy Company.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
COMPANY (REGISTERED NUMBER: 09064485)

REPORT OF THE TRUSTEES
for the year ended 31 August 2021

STREAMLINED ENERGY AND CARBON REPORTING

UK Greenhouse gas emissions and energy use data for the period 1st September 2020 to 31st August 2021

Energy consumption used to calculate emissions (kWh)	2,985,606
Energy consumption breakdown (kWh) (optional)	
* Gas	2,006,963
* Electricity	978,643
* Transport fuel	-
<u>Scope 1 emissions in metric tonnes CO2e</u>	
Gas consumption	369.02
Owned transport - mini buses	-
<u>Scope 2 emissions in metric tonnes CO2e</u>	
Purchase electricity	228.15
<u>Scope 3 emissions in metric tonnes CO2e</u>	
Business travel in employee-owned vehicles	-
Total gross emissions in metric tonnes CO2e	597.18
Intensity ratio	4.94 (2,955 pupils)

Qualification and Reporting Methodology

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


Intensity Measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

Measurements taken to improve energy efficiency

We have the majority of school meetings across the multi academy via Teams to reduce the need to travel. The Estates Master Plan and individual school Asset Management Plans are focused on energy efficiency solutions. The Multi Academy will be taking a full audit of energy usage in 2021/22.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 16 December 2021 and signed on the board's behalf by:



M A C Tilt - Trustee

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
COMPANY**

**GOVERNANCE STATEMENT
for the year ended 31 August 2021**

Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Our Lady Of The Magnificat 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 of loss.

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

The board of the trustees has delegated the day-to-day responsibility to the CSEL, 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 Our Lady Of The Magnificat Multi-Academy Company and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Report of the Trustees and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 10 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
N A Burke	10	10
P A Dean	9	10
M A C Tilt	10	10
B M Mackie	10	10
C Bird	8	10
V Wells	9	10
T Rohan	3	10
A Tamburro	10	10
M Connolly	9	10

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
COMPANY**

**GOVERNANCE STATEMENT
for the year ended 31 August 2021**

Review of Value for Money

The accounting officer of Our Lady Of The Magnificat MAC accepts that they are responsible and accountable for ensuring the multi-academy delivers good value in the use of public resources. They are aware of the guide to the academy value for money statements published by the Education and Skills Funding Agency and understand that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

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

The accounting officer for the academy trust has delivered improved value for money during the year by:

- * The joint retendering of core services for human resources, payroll, finance and budget software and catering
- * Joint procurement across the multi-academy of all IT devices including laptops, printers and tablets and reprographic hardware
- * Central review and management of all sites and a services across the multi-academy to ensure health and safety compliance on behalf of the Directors. This has reduced the need for external contractors.
- * Implementing a robust model of Integrated Curriculum led financial planning to provide appropriate staffing and resources across the academy schools.
- * Maintaining adequate reserves to ensure the future security of the multi-academy in line with the expectations outlined by the ESFA.

The examination results and the progress of pupils remains strong within the context of efficient use of school resources. It is noted that due to COVID pandemic, external examinations have not taken place at any of the schools.

The review by the accounting officer is supported by:

- * Internal scrutiny report
- * Reports from Chief Finance and Operations Officer
- * External School Resource Management advisor

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust 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 Our Lady Of The Magnificat MAC for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the academy company is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
COMPANY**

**GOVERNANCE STATEMENT
for the year ended 31 August 2021**

The Risk and Control Framework

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

In particular, it includes:

- * comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees
- * setting targets to measure financial and other performance
- * regular reviews by the finance and estates 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
- * identification and management of risks

The Board of Trustees has considered the need for a specific Internal Audit function and has decided not to appoint specific Internal Audit staff. The Trust has a Risk & Audit Committee which appointed an external firm to undertake the Internal Audit function during the year 2020/21.

The internal Auditors' role includes advising on financial matters and performing a range of checks on the Academy Trust's financial systems. In particular, the internal checks carried out in the current period included:

- * Confirming control accounts are prepared and reviewed for the main balance sheet accounts;
- * Reviewing financial controls to ensure all appropriate checks, countersignatures and division of duties were operational;
- * Ensuring budgets are actively managed by budget holders;
- * Confirming and testing controls over payroll for new starters, changes to payroll information and leavers;
- * Testing purchases to ensure both probity and regularity controls are operational.

On an annual basis, the Auditors report to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
COMPANY**

**GOVERNANCE STATEMENT
for the year ended 31 August 2021**

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 internal auditor;
- * the work of the external auditors;
- * the school resource management tool;
- * the work of the executive managers within the Company who have responsibility for the development and maintenance of the internal control framework.
- * Reports to the Director's sub-committees
- * Reports from Headteachers to local governing bodies who have responsibility for the maintenance of the internal control framework.

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

Approved by order of the members of the board of trustees on 16 December 2021 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Michael Tilt', followed by a horizontal line.

M A C Tilt - Trustee

A handwritten signature in black ink, appearing to read 'T Leverage', followed by a horizontal line.

T Leverage - Accounting Officer

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
COMPANY**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
for the year ended 31 August 2021**

As accounting officer of Our Lady Of The Magnificat Multi-Academy Company I have considered my responsibility to notify the charitable company board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the charitable company, under the funding agreement in place between the charitable company and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the charitable company board of trustees are able to identify any material irregular or improper use of funds by the charitable company, or material non-compliance with the terms and conditions of funding under the charitable company's funding agreement and the Academies Financial Handbook 2020.

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



T Leverage - Accounting Officer

16 December 2021

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
COMPANY**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
for the year ended 31 August 2021**

The trustees (who act as governors of Our Lady Of The Magnificat Multi-Academy Company and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with the Academies Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

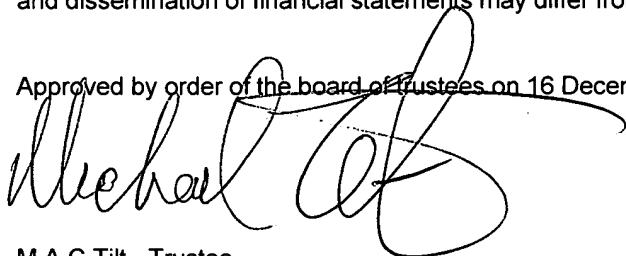
The trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA/DfE have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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

Approved by order of the board of trustees on 16 December 2021 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Michael Tilt', written over a horizontal line.

M A C Tilt - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
COMPANY**

Opinion

We have audited the financial statements of Our Lady Of The Magnificat Multi-Academy Company (the 'charitable company') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency (ESFA).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2020 to 2021.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

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

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

Opinions on other matters prescribed by the Companies Act 2006

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

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
COMPANY**

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
COMPANY**

Our responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our assessment focused on key laws and regulations the company has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS102), 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 (FRS102) (Charities SORP (FRS102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006 and relevant tax legislation.

We carried out discussions among the engagement team, who also undertook the audit testing, to assess how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of these discussions, we identified potential for fraud in the following areas:

- * management override of control;
- * revenue recognition - specifically in respect of completeness, cut-off and manipulation of revenue through management override of journals.
- * internal control environment - the risk of failure of internal controls particularly in relation to procurement

We are not responsible for preventing irregularities. Our approach to detecting irregularities included, but was not limited to, the following:

- * obtaining an understanding of the entity's policies and procedures and how the entity has complied with these, through discussions and sample testing of controls;
- * obtaining an understanding of the legal and regulatory framework applicable to the entity and how the entity is complying with that framework;
- * obtaining an understanding of the entity's risk assessment process, including the risk of fraud;
- * designing our audit procedures to respond to our risk assessment; and
- * performing audit testing over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates bias.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, including internal specialists, and remained alert to any indicators of fraud or non-compliance with laws and regulations throughout the audit.

Whilst considering how our audit work addressed the detection of irregularities, we also consider the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

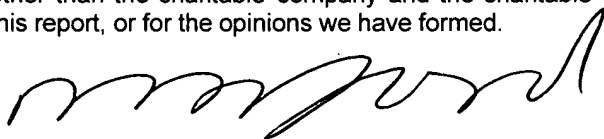
The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission and misrepresentation.

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
COMPANY**

Use of our report

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



Mark Spafford FCCA ACA (Senior Statutory Auditor)
for and on behalf of Luckmans Duckett Parker Limited
Chartered Accountants
Statutory Auditors
1110 Elliott Court
Herald Avenue
Coventry Business Park
Coventry
West Midlands
CV5 6UB

17 December 2021

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
COMPANY
AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Our Lady Of The Magnificat Multi-Academy Company during the period 1 September 2020 to 31 August 2021 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 Our Lady Of The Magnificat Multi-Academy Company and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Our Lady Of The Magnificat Multi-Academy Company and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Our Lady Of The Magnificat Multi-Academy Company and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Our Lady Of The Magnificat Multi-Academy Company's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Our Lady Of The Magnificat Multi-Academy Company's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1 September 2020, 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 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2020 to 2021 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
COMPANY
AND THE EDUCATION AND SKILLS FUNDING AGENCY**

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



LDP Luckmans
Chartered Accountants
Reporting Accountant
1110 Elliott Court
Herald Avenue
Coventry Business Park
Coventry
West Midlands
CV5 6UB

17 December 2021

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
COMPANY**

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
for the year ended 31 August 2021**

	Notes	Unrestricted fund £	Restricted funds £	Restricted Fixed Asset Fund £
INCOME AND ENDOWMENTS FROM				
Donations and capital grants	2	166,699	40,000	109,492
Transfer from Local Authority on conversion		2,736	-	247,300
Charitable activities				
Funding for the academy's educational operations	3	118,737	-	-
Teaching schools		-	-	-
Other trading activities	4	571,355	4,875	-
Investment income	5	243	-	-
Total		859,770	44,875	356,792
EXPENDITURE ON				
Charitable activities	8			
Academy's educational operations	3	95,808	-	328,472
Teaching schools		-	108,547	-
Cancellation of long leases		-	-	19,683,062
Total	6	95,808	108,547	20,011,534
NET INCOME/(EXPENDITURE)		763,962	(63,672)	(19,654,742)
Transfers between funds	16	(686,901)	-	152,874
Other recognised gains/(losses)				
Actuarial gains on defined benefit schemes		-	-	-
Net movement in funds		77,061	(63,672)	(19,501,868)
RECONCILIATION OF FUNDS				
Total funds brought forward		640,044	63,880	23,518,653
TOTAL FUNDS CARRIED FORWARD		717,105	208	4,016,785

The notes form part of these financial statements

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
COMPANY**

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
for the year ended 31 August 2021**

			2021	2020
	Notes	Restricted General Fund £	Total funds £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and capital grants	2	-	316,191	215,205
Transfer from Local Authority on conversion		(1,893,113)	(1,643,077)	(354,025)
Charitable activities				
Funding for the academy's educational operations	3	15,027,157	15,145,894	11,171,479
Teaching schools		-	-	(3,970)
Other trading activities	4	1,894	578,124	461,365
Investment income	5	-	243	635
Total		13,135,938	14,397,375	11,490,689
EXPENDITURE ON				
Charitable activities	8			
Academy's educational operations	3	16,229,341	16,653,621	12,213,844
Teaching schools		-	108,547	64,848
Cancellation of long leases		-	19,683,062	-
Total	6	16,229,341	36,445,230	12,278,692
NET INCOME/(EXPENDITURE)		(3,093,403)	(22,047,855)	(788,003)
Transfers between funds	16	534,027	-	-
Other recognised gains/(losses)				
Actuarial gains/(losses) on defined benefit schemes		(26,000)	(26,000)	(341,000)
Net movement in funds		(2,585,376)	(22,073,855)	(1,129,003)
RECONCILIATION OF FUNDS				
Total funds brought forward		(6,258,315)	17,964,262	19,093,265
TOTAL FUNDS CARRIED FORWARD		(8,843,691)	(4,109,593)	17,964,262

The notes form part of these financial statements

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
COMPANY (REGISTERED NUMBER: 09064485)**

**BALANCE SHEET
31 August 2021**

		Unrestricted fund £	Restricted funds £	Restricted Fixed Asset Fund £
FIXED ASSETS	Notes			
Tangible assets	13	-	-	3,972,041
CURRENT ASSETS				
Debtors	14	-	-	-
Cash at bank and in hand		717,105	12,255	72,821
		<u>717,105</u>	<u>12,255</u>	<u>72,821</u>
CREDITORS				
Amounts falling due within one year	15	-	(12,047)	(28,077)
NET CURRENT ASSETS		<u>717,105</u>	<u>208</u>	<u>44,744</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		717,105	208	4,016,785
PENSION ASSET	17	-	-	-
NET ASSETS		<u>717,105</u>	<u>208</u>	<u>4,016,785</u>

The notes form part of these financial statements

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
COMPANY (REGISTERED NUMBER: 09064485)**

**BALANCE SHEET - continued
31 August 2021**

			2021.	2020
	Notes	Restricted General Fund £	Total funds £	Total funds £
FIXED ASSETS				
Tangible assets	13	-	3,972,041	23,421,975
CURRENT ASSETS				
Debtors	14	651,745	651,745	587,439
Cash at bank and in hand		1,086,254	1,888,435	1,616,180
		<u>1,737,999</u>	<u>2,540,180</u>	<u>2,203,619</u>
CREDITORS				
Amounts falling due within one year	15	(1,326,690)	(1,366,814)	(1,069,332)
NET CURRENT ASSETS		<u>411,309</u>	<u>1,173,366</u>	<u>1,134,287</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		411,309	5,145,407	24,556,262
PENSION LIABILITY	17	(9,255,000)	(9,255,000)	(6,592,000)
NET ASSETS		<u>(8,843,691)</u>	<u>(4,109,593)</u>	<u>17,964,262</u>

The notes form part of these financial statements

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
COMPANY (REGISTERED NUMBER: 09064485)**

**BALANCE SHEET - continued
31 August 2021**

FUNDS

16

Restricted funds:

General Annual Grant	411,309	333,685
DfE/ESFA capital grants	1,446,836	1,404,585
Pension reserve	(9,255,000)	(6,592,000)
Capital expenditure from GAG	665,444	619,011
Other capital grants	66,640	31,227
Tangible Fixed Assets acquired on conversion to Academy	205,865	19,818,230
Teaching School Grant	208	63,880
S.77 funding from Worcestershire County Council	1,632,000	1,645,600
	<u>(4,826,698)</u>	<u>17,324,218</u>

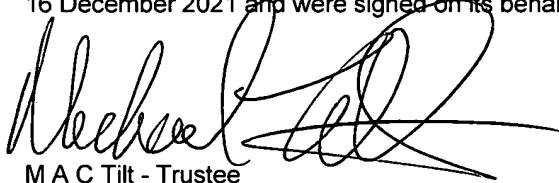
Unrestricted funds:

General fund	717,105	640,044
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TOTAL FUNDS

<u>(4,109,593)</u>	<u>17,964,262</u>
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The financial statements were approved by the Board of Trustees and authorised for issue on 16 December 2021 and were signed on its behalf by:



M A C Tilt - Trustee

The notes form part of these financial statements

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
COMPANY**

**CASH FLOW STATEMENT
for the year ended 31 August 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	419,518	335,681
Interest paid		(360)	(129)
Tax paid		-	749
Net cash provided by operating activities		<u>419,158</u>	<u>336,301</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(276,085)	(312,007)
Capital grants from DfE/EFA		70,065	48,394
Interest received		243	635
Net cash used in investing activities		<u>(205,777)</u>	<u>(262,978)</u>
Cash transferred on conversion to an academy		<u>58,874</u>	<u>-</u>
Change in cash and cash equivalents in the reporting period		272,255	73,323
Cash and cash equivalents at the beginning of the reporting period		<u>1,616,180</u>	<u>1,542,857</u>
Cash and cash equivalents at the end of the reporting period		<u><u>1,888,435</u></u>	<u><u>1,616,180</u></u>

The notes form part of these financial statements

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
COMPANY**

**NOTES TO THE CASH FLOW STATEMENT
for the year ended 31 August 2021**

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

	2021 £	2020 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(22,047,855)	(788,003)
Adjustments for:		
Depreciation charges	328,472	274,097
Capital grants from DfE/ESFA	(70,065)	(48,394)
Transfer from Local Authority on conversion	1,643,077	354,025
Loss on disposal of fixed assets	19,683,062	-
Interest received	(243)	(635)
Interest paid	360	129
Donated fixed assets	(38,215)	-
Increase in debtors	(64,306)	(76,313)
Increase in creditors	298,231	194,775
Difference between pension charge and cash contributions	687,000	426,000
Net cash provided by operations	<u>419,518</u>	<u>335,681</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.20 £	Cash flow £	At 31.8.21 £
Net cash			
Cash at bank and in hand	1,616,180	272,255	1,888,435
	<u>1,616,180</u>	<u>272,255</u>	<u>1,888,435</u>
Total	<u>1,616,180</u>	<u>272,255</u>	<u>1,888,435</u>

The notes form part of these financial statements

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
COMPANY**

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2021**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2020 to 2021 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Our Lady Of The Magnificat Multi-Academy Company meets the definition of a public benefit entity under FRS 102.

Going concern

The board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements.

The Academy has produced a three-year budget forecast which demonstrates a surplus for the financial year ending 31st August 2022. A sustainability plan and review programme are in place to ensure the individual school's budget within their General Annual Grant income. The Board continues to support Our Lady of Mount Carmel Catholic First School to overcome their current deficit position. Projected budget outturns indicate that the deficit at this school will be further reduced in the 2021/22 & 2022/23 periods.

The directors note the overall Net Liabilities position, which is significantly influenced by the pension deficit. The MAC continues to take a prudent approach within its annual and 3 year budgeting scenarios to allow for potential long term increases in the contributions payable to both the Teachers Pension Scheme and the Local Government Pension Schemes, and specific contributions towards the arrears of the Local Government Pension Schemes. The directors confirm that they are able to meet the current level from cash flow.

Critical accounting judgements and key sources of estimation uncertainty

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 17, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

The net realisable value of tangible fixed assets and the useful economic life of tangible fixed assets are subject to levels of judgement which could have a material impact on the annual depreciation charge to the financial statements.

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
COMPANY**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2021**

1. ACCOUNTING POLICIES - continued

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Grants

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

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

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

Donations

Donations are recognised on a receivable basis (where there are no performance related conditions), where it is probable that the income will be received and the amount can be measured reliably.

Other income

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

Donated goods, facilities and services

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

Donated fixed assets

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the charity's accounting policies.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

All resources expended are inclusive of irrecoverable VAT, where applicable.

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
COMPANY**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2021**

1. ACCOUNTING POLICIES - continued

Expenditure

The academy trust is incurring Apprenticeship Levy which will be used towards future training. At the balance sheet date, the Trust carries forward the value of unused Apprenticeship Levy within Other Debtors where there is a reasonable expectation that appropriate training will be incurred in future periods against which the levy charge can be used.

Governance costs

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

Allocation and apportionment of costs

The Multi Academy receives the funding allocation from the ESFA. Each school within the Multi Academy is allocated their funding based on the funding formula.

The schools within the Multi Academy contribute to any central costs that are occurred. These costs are agreed by all schools. Until 31st August 2020, the proportion of these costs was based on the student numbers of each school. The student number totals were taken from the census data which the income for that year has also been calculated on by the ESFA. From 1st September 2020, the calculation became based on 5% of each schools General Annual Grant, adjusted for specific support costs relating to an individual school.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Long leasehold	- equal instalments over the period of the lease
Site improvements	- 125 years on cost
Fixtures and fittings	- 20% on cost
Computer equipment	- 33% on cost

Where tangible fixed assets have been acquired with the aid of specific grants, either from 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.

Long leasehold property was acquired in July 2014 and was capitalised as a Tangible Fixed Asset. The assets were recognised at the valuation made at fair value using the depreciated replacement cost method provided by Mouchel on behalf of the Education Funding Agency for the purpose of the preparation of the Whole of Government Accounts.

Taxation

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

Any income generated from non-primary purpose trading by the academy trust will be subject to corporation tax. Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
COMPANY**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2021**

1. ACCOUNTING POLICIES - continued

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

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

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 quinquennial valuations using a prospective benefit method. As stated in note 18, the TPS is a multi-employer scheme and the academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit 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 gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

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.

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
COMPANY**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2021**

1. ACCOUNTING POLICIES - continued

Liabilities

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.

Financial instruments

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

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

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

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

2. DONATIONS AND CAPITAL GRANTS

	2021	2020
	£	£
Donations	186,314	77,040
Grants	123,910	114,494
Music fees	5,967	23,671
	<u>316,191</u>	<u>215,205</u>

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

	2021	2020
	£	£
Non Government Capital Income	1,212	-
Other Government Grants	12,633	26,100
Devolved Formula Capital	70,065	48,394
Teaching School Grant	40,000	40,000
	<u>123,910</u>	<u>114,494</u>

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
COMPANY**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2021**

3. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
DfE/ESFA grants				
General Annual Grant(GAG)	-	13,461,918	13,461,918	10,222,188
Start Up Grant	-	25,000	25,000	25,000
Pupil Premium	-	449,013	449,013	317,948
UFSM	-	135,605	135,605	127,735
Covid-19 Funding	-	377,782	377,782	-
	-	14,449,318	14,449,318	10,692,871
Other Government grant				
Local Authority	-	350,389	350,389	138,683
Other income from the academy's educational operations	118,737	227,450	346,187	339,925
	118,737	15,027,157	15,145,894	11,171,479

4. OTHER TRADING ACTIVITIES

	2021 £	2020 £
Lettings income	56,336	68,047
Business & other income	521,450	393,275
Payroll admin fees	338	43
	578,124	461,365

5. INVESTMENT INCOME

	2021 £	2020 £
Deposit account interest	243	635

6. EXPENDITURE

	Non-pay expenditure			2021	2020
	Staff costs £	Premises £	Other costs £	Total £	Total £
Charitable activities					
Academy's educational operations					
Direct costs	10,980,664	-	942,107	11,922,771	8,930,630
Allocated support costs	2,457,498	978,762	866,477	4,302,737	2,965,689
Teaching schools					
Direct costs	29,474	-	4,643	34,117	2,817
Allocated support costs	-	(64)	1,715	1,651	2,721
	13,467,636	978,698	1,814,942	16,261,276	11,901,857

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
COMPANY**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2021**

6. EXPENDITURE - continued

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

	2021 £	2020 £
Auditors' remuneration	36,810	15,395
Internal audit services	5,750	-
Other non-audit services	4,590	4,720
Depreciation - owned assets	328,472	274,097
Other operating leases	58,774	26,464
	<u>58,774</u>	<u>26,464</u>

7. CHARITABLE ACTIVITIES

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Direct costs - academy's educational operations	88,670	11,834,101	11,922,771	8,930,630
Direct costs - teaching schools	-	34,117	34,117	2,817
Support costs - academy's educational operations	-	4,302,737	4,302,737	2,965,689
Support costs - teaching schools	-	1,651	1,651	2,721
	<u>88,670</u>	<u>16,172,606</u>	<u>16,261,276</u>	<u>11,901,857</u>

	2021 Total £	2020 Total £
Analysis of support costs		
Support staff costs	2,457,498	1,771,738
Depreciation	27,713	-
Technology costs	126,379	57,468
Premises costs	978,698	644,669
Other support costs	516,594	363,141
Governance costs	197,506	131,394
	<u>4,304,388</u>	<u>2,968,410</u>
Total support costs	<u>4,304,388</u>	<u>2,968,410</u>

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
COMPANY**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2021**

8. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs £	Totals £
Cancellation of long leases	19,683,062	-	19,683,062
Academy's educational operations	11,922,771	4,730,850	16,653,621
Teaching schools	34,117	74,430	108,547
	<u>31,639,950</u>	<u>4,805,280</u>	<u>36,445,230</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

	2021 £	2020 £
Trustees' salaries	-	159,730
Trustees' social security	-	19,176
Trustees' pension contributions to money purchase schemes	-	38,769
	<u>-</u>	<u>217,675</u>

2020: One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees 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 trustees' remuneration for period during which the staff member was a trustee during the year and other benefits was as follows:

The highest paid trustee received remuneration of £nil (2020: £52,363) and company contributions to a pension scheme of £nil (2020: £12,302).

Trustees' expenses

During the year, no (2020: 2) trustees received travel and subsistence expenses (2020: £859).

10. STAFF COSTS

	2021 £	2020 £
Wages and salaries	9,588,839	7,242,373
Social security costs	823,498	574,552
Operating costs of defined benefit pension schemes	2,768,307	1,988,121
	<u>13,180,644</u>	<u>9,805,046</u>
Supply teacher costs	184,925	83,570
Training & course fees	55,442	52,110
Other staff costs	46,450	23,828
Staff travelling expenses	175	836
	<u>13,467,636</u>	<u>9,965,390</u>

Total key management personnel employment benefits are:-

	£	£
Wages and salaries, and employer pension contributions	<u>811,102</u>	<u>492,742</u>

The 2020 figure includes trustee employment benefits.

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
COMPANY**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2021**

10. STAFF COSTS - continued

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

	2021	2020
Teachers	159	135
Support Staff	219	183
	<u>378</u>	<u>318</u>

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

	2021	2020
£60,001 - £70,000	8	6
£80,001 - £90,000	2	2
£90,001 - £100,000	1	-
£110,001 - £150,000	1	-
	<u>12</u>	<u>8</u>

The full time equivalent staff numbers are as follows:

	2021	2020
Teachers	149	123
Support staff	126	94
	<u>275</u>	<u>217</u>

The Central Team have provided the following services to its academies during the year either from directly employed staff or procured third parties:

IT support services
Financial services
Legal services
Educational support services
HR support services
Data Protection Officer
Chief Accounting Officer support
Clerking services
Estates and Premises support services

The trust charges for these services on the following basis:

At 5% of GAG income plus any specific additional charges, 2020: apportioned based on pupil numbers at each academy school.

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
COMPANY**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2021**

10. STAFF COSTS - continued

The actual amounts charged during the year were as follows:

	2021 £'000	2020 £'000
St Augustine's Academy	402	265
St Bede's Academy	178	151
Our Lady of Mount Carmel Academy	86	59
St Peter's Academy	59	48
St Thomas More Academy	49	16
Trinity Catholic School	104	-
	<u>878</u>	<u>539</u>

11. TRUSTEES' AND OFFICERS' INSURANCE

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

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Restricted Fixed Asset Fund £	Restricted General Fund £	Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and capital grants	125,380	40,000	49,829	(4)	215,205
Transfer from Local Authority on conversion	2,213	-	23,841	(380,079)	(354,025)
Charitable activities					
Funding for the academy's educational operations	178,643	-	-	10,992,836	11,171,479
Teaching schools	-	(3,970)	-	-	(3,970)
Other trading activities	449,780	11,585	-	-	461,365
Investment income	635	-	-	-	635
Total	<u>756,651</u>	<u>47,615</u>	<u>73,670</u>	<u>10,612,753</u>	<u>11,490,689</u>
EXPENDITURE ON Charitable activities					
Academy's educational operations	184,561	-	274,097	11,755,186	12,213,844
Teaching schools	-	64,848	-	-	64,848
Total	<u>184,561</u>	<u>64,848</u>	<u>274,097</u>	<u>11,755,186</u>	<u>12,278,692</u>

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
COMPANY**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2021**

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted funds £	Restricted Fixed Asset Fund £	Restricted General Fund £	Total funds £
NET					
INCOME/(EXPENDITURE)	572,090	(17,233)	(200,427)	(1,142,433)	(788,003)
Transfers between funds	(559,576)	-	313,572	246,004	-
Other recognised gains/(losses)					
Actuarial gains/(losses) on defined benefit schemes	-	-	-	(341,000)	(341,000)
Net movement in funds	12,514	(17,233)	113,145	(1,237,429)	(1,129,003)
RECONCILIATION OF FUNDS					
Total funds brought forward	627,530	81,113	23,405,508	(5,020,886)	19,093,265
TOTAL FUNDS CARRIED FORWARD	640,044	63,880	23,518,653	(6,258,315)	17,964,262

13. TANGIBLE FIXED ASSETS

	Long leasehold £	Site improvements £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 September 2020	23,997,184	-	683,008	716,088	25,396,280
Additions	-	204,573	55,800	53,927	314,300
Disposals	(20,584,001)	-	-	-	(20,584,001)
Reclassification	(3,413,183)	3,413,183	-	-	-
Transfer on conversion	-	-	152,100	95,200	247,300
At 31 August 2021	-	3,617,756	890,908	865,215	5,373,879
DEPRECIATION					
At 1 September 2020	880,296	-	541,760	552,249	1,974,305
Charge for year	127,944	27,713	77,320	95,495	328,472
Eliminated on disposal	(900,939)	-	-	-	(900,939)
Reclassification/transfer	(107,301)	107,301	-	-	-
At 31 August 2021	-	135,014	619,080	647,744	1,401,838
NET BOOK VALUE					
At 31 August 2021	-	3,482,742	271,828	217,471	3,972,041
At 31 August 2020	23,116,888	-	141,248	163,839	23,421,975

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
COMPANY**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2021**

13. TANGIBLE FIXED ASSETS - continued

During the year it was agreed with the ESFA that the lease for buildings at St Augustine's Catholic High School, St Bede's Catholic Middle School, St Peter's Catholic First School and Our Lady of Mount Carmel Catholic First School would be extinguished and the land and buildings would revert to the Birmingham Roman Catholic Diocesan Trustees. This has resulted in the disposal of these assets resulting in a loss on disposal. Any site improvements which were funded by the Academy Trust have been transferred to site improvements.

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	168,642	136,585
Other debtors	228,615	220,656
VAT recoverable	37,940	74,540
Prepayments	216,548	155,658
	<u>651,745</u>	<u>587,439</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	229,818	375,033
Tax	-	749
Social security and other taxes	234,865	184,626
Other creditors	278,341	184,502
Deferred income	277,718	247,219
Accrued expenses	346,072	77,203
	<u>1,366,814</u>	<u>1,069,332</u>

Deferred income

	2021 £000	2020 £000
Deferred income at 1 September 2020	247,220	215,083
Released from previous years	(247,220)	(215,083)
Resources deferred in the year	277,718	247,220
Deferred income at 31 August 2021	<u>277,718</u>	<u>247,220</u>

Deferred income relates to deposits for educational visits due to take place in the following financial year, and also for income received in advance for school transportation and IT support for the following accounting period, and income received in advance for Universal Income Free School Meals and Teaching School income.

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
COMPANY**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2021**

16. MOVEMENT IN FUNDS

	At 1.9.20 £	Net movement in funds £	Transfers between funds £	At 31.8.21 £
Restricted general funds				
General Annual Grant	333,685	(456,403)	534,027	411,309
DfE/ESFA capital grants	1,404,585	42,251	-	1,446,836
Pension reserve	(6,592,000)	(2,663,000)	-	(9,255,000)
Capital expenditure from GAG	619,011	(106,441)	152,874	665,444
Other capital grants	31,227	35,413	-	66,640
Tangible Fixed Assets acquired on conversion to Academy	19,818,230	(19,612,365)	-	205,865
Teaching School Grant	63,880	(63,672)	-	208
S.77 funding from Worcestershire County Council	1,645,600	(13,600)	-	1,632,000
	<u>17,324,218</u>	<u>(22,837,817)</u>	<u>686,901</u>	<u>(4,826,698)</u>
Unrestricted fund				
General fund	640,044	763,962	(686,901)	717,105
	<u>17,964,262</u>	<u>(22,073,855)</u>	<u>-</u>	<u>(4,109,593)</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Restricted general funds				
General Annual Grant	15,085,938	(15,542,341)	-	(456,403)
DfE/ESFA capital grants	70,065	(27,814)	-	42,251
Pension reserve	(1,950,000)	(687,000)	(26,000)	(2,663,000)
Capital expenditure from GAG	-	(106,441)	-	(106,441)
Other capital grants	39,427	(4,014)	-	35,413
Tangible Fixed Assets acquired on conversion to Academy	247,300	(19,859,665)	-	(19,612,365)
Teaching School Grant	44,875	(108,547)	-	(63,672)
S.77 funding from Worcestershire County Council	-	(13,600)	-	(13,600)
	<u>13,537,605</u>	<u>(36,349,422)</u>	<u>(26,000)</u>	<u>(22,837,817)</u>
Unrestricted fund				
General fund	859,770	(95,808)	-	763,962
	<u>14,397,375</u>	<u>(36,445,230)</u>	<u>(26,000)</u>	<u>(22,073,855)</u>

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2021**

16. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.9.19 £	Net movement in funds £	Transfers between funds £	At 31.8.20 £
Restricted general funds				
General Annual Grant	353,114	(265,433)	246,004	333,685
DfE/ESFA capital grants	1,406,563	(1,978)	-	1,404,585
Pension reserve	(5,374,000)	(1,218,000)	-	(6,592,000)
Capital expenditure from GAG	380,343	(74,904)	313,572	619,011
Other capital grants	20,438	10,789	-	31,227
Tangible Fixed Assets acquired on conversion to Academy	19,938,964	(120,734)	-	19,818,230
Teaching School Grant	81,113	(17,233)	-	63,880
S.77 funding from Worcestershire County Council	1,659,200	(13,600)	-	1,645,600
	<u>18,465,735</u>	<u>(1,701,093)</u>	<u>559,576</u>	<u>17,324,218</u>
Unrestricted fund				
General fund	627,530	572,090	(559,576)	640,044
TOTAL FUNDS	<u>19,093,265</u>	<u>(1,129,003)</u>	<u>-</u>	<u>17,964,262</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Restricted general funds				
General Annual Grant	11,063,753	(11,329,186)	-	(265,433)
DfE/ESFA capital grants	54,781	(56,759)	-	(1,978)
Pension reserve	(451,000)	(426,000)	(341,000)	(1,218,000)
Capital expenditure from GAG	-	(74,904)	-	(74,904)
Other capital grants	10,789	-	-	10,789
Tangible Fixed Assets acquired on conversion to Academy	8,100	(128,834)	-	(120,734)
Teaching School Grant	47,615	(64,848)	-	(17,233)
S.77 funding from Worcestershire County Council	-	(13,600)	-	(13,600)
	<u>10,734,038</u>	<u>(12,094,131)</u>	<u>(341,000)</u>	<u>(1,701,093)</u>
Unrestricted fund				
General fund	756,651	(184,561)	-	572,090
TOTAL FUNDS	<u>11,490,689</u>	<u>(12,278,692)</u>	<u>(341,000)</u>	<u>(1,129,003)</u>

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2021**

16. MOVEMENT IN FUNDS - continued

General Annual Grant

The General Annual Grant is the delegated fund received from the ESFA. The GAG is made up of several funding factors. The main factor is based on student numbers taken from census data, Basic entitlement Age Weighted Pupil Unit. The remaining factors are based on student specific data again taken from the census data, Deprivation, Looked After Children, Prior Attainment, English as an additional language, and Mobility. Additional funding factor is used for Sparsity and each school receives a Lump Sum depending on sector, primary or secondary. Funding for the Sixth form programme is received via the GAG based on census data received. Sixth funding is calculated using a small number of factors such as banding for hours a student receives.

The Academy is not subject to a limit on GAG carry-forward.

DfE/EFA capital grants

Devolved Formula Capital and Conditions Improvement Fund funding can be used for improvements to buildings and other facilities, including ICT, or capital repairs/refurbishment and minor works. All schools within the Multi Academy who have been in receipt of the fund have used it to make improvements to their IT provision, upgrade their fixtures and fittings or undertaken minor building works / improvements.

The Condition Improvement Fund (CIF) supports projects to address condition issues and schools and colleges that need to expand their existing provision.

s.77 funding from Worcestershire County Council

The academy received donated fixed assets from Worcestershire County Council as a result of s.77 of Schools Standards and Framework Act 1998. This fund relates to the sports hall and playing field improvements at St Bede's Catholic Middle School.

Pension reserve

The Pension Reserve relates to the MAC's share of the Local Government Pension Scheme deficit.

Capital expenditure from GAG

Where tangible fixed assets are acquired by the Academies, the Academies use their Devolved Formula Capital income. Once these funds are exhausted and the Academies still require Tangible Fixed Assets, funds are transferred from the General Annual Grant fund to cover the cost of these assets required.

Tangible Fixed Assets acquired on Conversion to Academies

At conversion all schools had their fixed assets transferred to the new Academy. These transfers were made from the Archdiocese of Birmingham or Worcestershire County Council. The fund is charged with depreciation of the assets in each period.

16-19 Bursary

St Augustines Catholic High School and Trinity Catholic School both run a successful sixth form. Eligible Students are able to apply for a grant to support their studies. This grant is known as the 16-19 bursary, and is provided to the Academy to distribute to eligible pupils at its discretion. This is not recognised as income or expenditure of the Academy.

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
COMPANY**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2021**

16. MOVEMENT IN FUNDS - continued

Teaching school

Saint Augustine's Catholic High School was awarded Teaching School Status in July 2017. A grant of £60,000 was awarded for year 1 which reduced to £50,000 year two and £40,000 for subsequent years, these funds are only permitted to cover operational expenses occurred in business of the Teaching School. In year 1 the Grant was used to support the necessary leadership and administrative capacity to undertake the work in leading the alliance as a centre of excellence. The grant cannot be used to purchase IT equipment, consultancy fees or marketing and advertising. All funds are issues under the DfE terms and conditions and are monitored for financial assurance. The Teaching School has generated further funds through school to school support.

Analysis of academies by fund balance

Fund balances at 31 August 2021 were allocated as follows:

	2021 £'000	2020 £'000
St Augustine's	434	510
St Bede's	386	268
Our Lady of Mount Carmel	(122)	(130)
St Peter's	270	230
St Thomas More	129	97
Trinity	85	-
Central Services	(54)	(1)
Total before fixed assets and pension reserve	1,128	974
Teaching School Fund	-	63
Restricted Fixed Asset Fund	4,017	23,519
Pension Reserve	(9,255)	(6,592)
Total Funds	(4,110)	17,964

Our Lady of Mount Carmel is running a deficit of £122K (2020: £130K) and Central Services is running a deficit of £54K (2020: £1K) on these funds:

The trust is taking the following action to return the academy to surplus:

Our Lady of Mount Carmel has completed a staffing restructure which will provide financial sustainability moving forward.

The Central Services deficit is a deficit on the catering side of the function which arose due to loss of income as a result of the Covid-19 pandemic.

The overall fund for the Multi Academy is able to cover the deficit figure. However, the Board does not have sufficient funds available from central services to cover the deficit for Our Lady of Mount Carmel.

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
COMPANY**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2021**

16. MOVEMENT IN FUNDS - continued

Analysis of academies by cost

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

	Teaching and Educational Support Staff Costs £'000	Other Support Staff Costs £'000	Educational Supplies £'000	Other Costs (excluding depreciation) £'000	Total £'000
St Augustine's	3,622	836	145	825	5,428
St Bede's	2,349	440	23	353	3,165
Our Lady of Mount Carmel	1,012	166	16	149	1,343
St Peter's	887	178	44	178	1,287
St Thomas More	764	174	23	131	1,092
Trinity	1,646	285	67	466	2,464
Central services	145	379	1	240	765
	10,425	2,458	319	2,342	15,544

Transfers between funds

During the year, there were transfers between the general fund and the restricted general annual grant to the restricted fixed assets fund where capital expenditure has been incurred.

Over the course of the financial period a number of transfers have been undertaken between the funds:

* General Annual Grant to Capital expenditure: £152,874 (2020: £313,572)

* General funds to General Annual Grant: £686,901 (2020: £559,576)

These transfers have been done for the following reasons:

* Acquisition of fixtures & fittings and ICT equipment

* Funding of improvements works to the schools site

* To cover deficits on General Annual Grant reserves for Our Lady Of Mount Carmel and Central Services.

17. PENSION AND SIMILAR OBLIGATIONS

The charity'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 Worcestershire County Council & Warwickshire County Council Pension Funds.. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS to the period ended 31 March 2019.

Contributions amounting to £247,498 were payable to the schemes at 31 August 2021 (2020 - £185,897) and are included within creditors.

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2021**

17. PENSION AND SIMILAR OBLIGATIONS - continued

Teachers' pension scheme

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

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

Valuation of the teachers' pension scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £1,475,764 (2020 - £1,150,120).

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

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

Local government pension scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £718,598 (2020: £468,172), of which employer's contributions totalled £543,764 (2020: £347,068) and employees' contributions totalled £174,834 (2020: £121,104). The agreed contribution rates for future years are 20.9 per cent for employers and between 5.5 per cent and 12.5 per cent for employees.

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

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2021**

17. PENSION AND SIMILAR OBLIGATIONS - continued

The amounts recognised in the Balance Sheet are as follows:

	Defined benefit pension plans	
	2021	2020
	£	£
Present value of funded obligations	(12,250,000)	(7,640,000)
Fair value of plan assets	2,995,000	1,048,000
	<u>(9,255,000)</u>	<u>(6,592,000)</u>
Present value of unfunded obligations	-	-
Deficit	<u>(9,255,000)</u>	<u>(6,592,000)</u>
Net liability	<u><u>(9,255,000)</u></u>	<u><u>(6,592,000)</u></u>

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

	Defined benefit pension plans	
	2021	2020
	£	£
Current service cost	1,270,000	811,000
Net interest from net defined benefit asset/liability	131,000	98,000
Past service cost	-	5,000
Administration expenses	10,000	8,000
	<u>1,411,000</u>	<u>922,000</u>
Actual return on plan assets	<u>732,000</u>	<u>84,000</u>

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

	Defined benefit pension plans	
	2021	2020
	£	£
Opening defined benefit obligation	6,592,000	5,374,000
Current service cost	1,270,000	811,000
Past service cost	-	5,000
Contributions by scheme participants	175,000	120,000
Interest cost	215,000	154,000
Benefits paid	(166,000)	(82,000)
Business combinations	3,280,000	813,000
Remeasurements - loss on assumptions	884,000	445,000
	<u>12,250,000</u>	<u>7,640,000</u>

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
COMPANY**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2021**

17. PENSION AND SIMILAR OBLIGATIONS - continued

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

	Defined benefit pension plans	
	2021	2020
	£	£
Interest on plan assets	84,000	56,000
Contributions by employer	724,000	496,000
Contributions by scheme participants	175,000	120,000
Administration expenses	(10,000)	(8,000)
Benefits paid	(166,000)	(82,000)
Business combinations	1,330,000	362,000
Remeasurements (assets)	858,000	104,000
	<u>2,995,000</u>	<u>1,048,000</u>

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

	Defined benefit pension plans	
	2021	2020
	£	£
Remeasurements - loss on assumptions	(884,000)	(445,000)
Remeasurements (assets)	858,000	104,000
	<u>(26,000)</u>	<u>(341,000)</u>

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

	Defined benefit pension plans	
	2021	2020
Equities	77.93%	65.90%
Government bonds	-	6.70%
Cash/liquidity	2.62%	4.20%
Other	7.37%	12.50%
Other bonds	6.04%	5.30%
Property	6.04%	5.40%
	<u>100.00%</u>	<u>100.00%</u>

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

	2021	2020
Discount rate	1.68%	1.80%
Future salary increases	3.95%	3.90%
Future pension increases	2.85%	2.50%
CPI Inflation	2.70%	2.40%

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2021**

17. PENSION AND SIMILAR OBLIGATIONS - continued

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

	2021	2020
Retiring today		
Males	22.3	22.6
Females	24.7	25
Retiring in 20 years		
Males	23.7	24.2
Females	26.6	27

Sensitivity analysis	2021	2020
	£	£
Discount rate +0.1%	8,925,000	6,383,000
Discount rate -0.1%	9,592,000	6,805,000
Mortality assumption - 1 year increase	9,791,000	6,887,000
Mortality assumption - 1 year decrease	8,736,000	6,305,000
CPI rate +0.1%	9,582,000	6,806,000
CPI rate -0.1%	8,925,000	6,382,000

18. LONG-TERM COMMITMENTS, INCLUDING OPERATING LEASES

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

	2021	2020
	£	£
Within one year	68,281	77,718
Between one and five years	160,518	167,174
In more than five years	-	36,250
	<u>228,799</u>	<u>281,142</u>

19. RELATED PARTY DISCLOSURES

No related party transactions took place in the period of account.

20. POST BALANCE SHEET EVENTS

On the 1st September 2021 Our Lady of the Magnificat Multi Academy Company merged with the Holy Family Catholic MAC.

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
COMPANY**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2021**

21. MEMBERS LIABILITY

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

22. TEACHING SCHOOL TRADING ACCOUNT

	2020/21 £000	2020/21 £000	2020/21 £000	2019/20 £000	2019/20 £000	2019/20 £000
Income						
Direct Income						
Grant income		40			40	
Reimbursed employment costs		-			(4)	
Other income		5			11	
		<u> </u>			<u> </u>	
Total Income			45			47
Expenditure						
Direct costs						
Direct staff costs	29			3		
Other direct costs	-			-		
	<u> </u>			<u> </u>		
Total direct costs		29			3	
Other costs						
Support staff costs	-			-		
Technology costs	-			-		
Other support costs	79			62		
	<u> </u>			<u> </u>		
Total other costs		79			62	
		<u> </u>			<u> </u>	
Total Expenditure			(108)			(65)
Surplus/(Deficit) from all sources			(63)			(18)
Teaching school balances at 1 September 2020			63			81
			<u> </u>			<u> </u>
Teaching school balances at 31 August 2021			-			63
			<u> </u>			<u> </u>

**OUR LADY OF THE MAGNIFICAT MULTI-ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2021**

23. CONVERSION TO AN ACADEMY

On 1st January 2021 the Trinity Catholic School converted to academy status under the Academies Act 2010 with all of the operations transferring to Our Lady of the Magnificat Multi-Academy Company from the Warwickshire County Council Local Authority for £nil consideration.

The school had a significant deficit which the local authority agreed to absorb. The net amount recognised as a net loss in the Statement of Financial Activities as Donations - transfer from local authority on conversion is as a result of bringing in the pension liability at 1st January 2021 (£1,950,000), fixed assets comprising fixtures & fittings and computer equipment at a fair value of £247,300 with the difference being ringfenced income received for the period 1st January to 31st March 2021.