

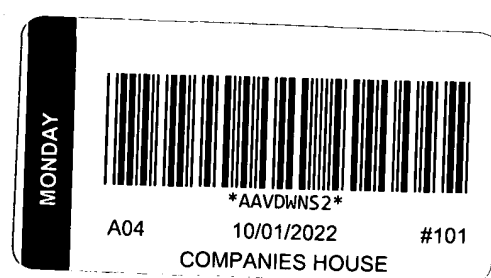
Registration number: 09203984

NICHOLAS POSTGATE CATHOLIC ACADEMY TRUST

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2021



Nicholas Postgate Catholic Academy Trust

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Nicholas Postgate Catholic Academy Trust

Reference and Administrative Details

Members	G Robinson G Dasey N Mack T P Drainey P Warren G Moran (appointed 19 November 2020)
Trustees (Directors)	J W Brown K Duffy (resigned 6 July 2021) H M Hegarty J Hughes (Chair) N Mack M McCullagh Rev D L Turnham J A Walton J Wilson M L King (appointed 9 February 2021) M Dent (resigned 23 June 2021)
Company Secretary	Prima Secretary Limited
Senior Management Team	H Hegarty, Chief Executive Officer J Farquhar, Chief Operating Officer L Marron, Head of Finance K Clarke, Head of HR J O'Boyle, Standards Officer N Jamalizadeh, Senior Standards Officer - Primary A White, Senior Standards Officer - Secondary
Principal and Registered Office	Postgate House Trinity Catholic College Saltersgill Avenue Middlesbrough TS4 3JW
Company Name	Nicholas Postgate Catholic Academy Trust
Company Registration Number	09203984
Auditors	MHA Tait Walker Bulman House Regent Centre Gosforth Newcastle upon Tyne NE3 3LS
Bankers	Lloyds Bank plc 83-85 Linthorpe Road Middlesbrough TS1 5BU
Solicitors	Muckle LLP Time Central 32 Gallowgate Newcastle upon Tyne NE1 4BF

Nicholas Postgate Catholic Academy Trust

Trustees Report for the Year Ended 31 August 2021

The Trustees, also referred to as the Company's Directors, present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a Trustees' (or Members) report, and a Trustees' report under company law.

Following a review of educational structures in the northern part of the Diocese of Middlesbrough, on 1 September 2018 three existing multi-academy Trusts and one maintained local authority school were merged into the Nicholas Postgate Academy Trust of five schools to form the new The Nicholas Postgate Catholic Academy Trust.

At its inception the Trust operated 21 primary academy schools and 4 secondary academy schools for pupils aged 3 to 19 across Middlesbrough, Stockton and Redcar & Cleveland, including all Catholic Diocesan schools in these catchment areas. Following the approval by the Regional Schools Commissioner during 2018/19 of the Trust as a primary sponsor, our twenty-sixth school, All Saints Primary School in Thirsk in North Yorkshire, joined the Trust on 1 June 2019. A further school, St. Hedda's Primary School joined the Trust on 1 September 2020.

The Trust had a pupil capacity, excluding sixth form and nursery provision, of 8,546 and had a roll of 8,003 in the school census in October 2020. Pupil numbers including nursery and sixth form are 8,740.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The 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 Nicholas Postgate Catholic Academy Trust are also the Trustees of the charitable company for the purposes of company law. The charitable company is known as Nicholas Postgate Catholic Academy Trust.

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

Members' Liability

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

Members' Indemnities

All of the schools within the Trust are members of the government's Risk Protection Arrangement (RPA) scheme which includes protection for Trustees from claims arising from negligent acts, errors or omissions occurring whilst undertaking trust business.

Nicholas Postgate Catholic Academy Trust

Trustees Report for the Year Ended 31 August 2021 (continued)

Method of Recruitment and Appointment or Election of Trustees

Trustees are appointed in relation to the type of trusteeship held and as follows:

- Under Article 50 the Diocesan Bishop shall appoint such a number of Foundation Trustees to ensure that at all times the number of Foundation Trustees exceeds the other Trustees (including any Co-opted Trustees) by at least two.
- Subject to Article 50 the Trustees shall appoint the Chief Executive Officer (CEO) to be a Trustee providing that the total number of Trustees who are employees does not exceed one third of the total number of Trustees.
- In any circumstances where the Secretary of State for Education is entitled to serve a warning notice under the relevant funding agreement, or in the opinion of the Diocesan Bishop standards or the Catholic Life of the school have fallen unacceptably low, then the Diocesan Bishop may stipulate that the Diocesan Director of Schools shall be appointed as a Trustee, for the term as the Diocesan Bishop shall provide. The current Diocesan Director of Schools was appointed as a Trustee in the initial period of the Trust's formation and development but resigned during the reporting period.

The term of office for any Trustee shall be 4 years or a shorter period if specified at the time of appointment by the person or body appointing. This time limit does not apply to the Co-opted Trustees or any post which is held ex-officio. Co-opted Trustees are appointed for a period of one year. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be reappointed or re-elected.

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees depends on their existing experience and an analysis of their own respective skills. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and any other documents as required to undertake their role as Trustees.

The Company has appointed an in-house governance team with external strategic support in addition delivered from Berry Education Limited during 2020/21. The Trust has adopted a Code of Conduct to support the development of Trustees. Specific CPD has also been made available in respect of the Trust's LINK governor areas and understanding the requirements for compliance with the Academies Financial Handbook.

During 2021/22 the Trust has plans to deliver focused and tailored CPD to each Trustee based on updated individual action plans and a collective skills analysis.

Organisational Structure

The Trust comprises 23 primary schools and 4 secondary schools, one with a 6th form provision. The Trust's Board is responsible for the strategic direction of the Trust and has overall responsibility for academic standards, financial management, assets and other resources of the Trust. The Board is supported by 3 committees which are:

- Catholic Life & Standards
- Finance & Resources
- Audit & Risk

Nicholas Postgate Catholic Academy Trust

Trustees Report for the Year Ended 31 August 2021 (continued)

The Trust is the admissions authority and employer for all schools. Strategic leadership is provided by the Trusts' Executive Leadership Team, supported by individual head teachers. The Accounting Officer is the Chief Executive Officer of the Trust, Mr Hugh Hegarty.

Delegated authority and powers of decision making in relation to the Board and its committees, including each school's own Local Governing Body, are defined in the Trust's Scheme of Delegation which was approved by Trustees at its Shadow Board meeting on 16th July 2018. The Scheme of Delegation determines what responsibility resides at both individual school and Trust level and has been reviewed continuously during our first 3 years of operating.

The Trust has employed standards' leads for primary, secondary and behaviour and welfare who provide support to all of the Trust's schools based on a detailed risk assessment model set out in the Trust's School Improvement Framework.

All school teaching and teaching support staffing appointments are made at a Local Governing Body level with the exception of reserved posts, including both Heads and Deputy Head Teachers, which are appointed by a panel established by the Trustees and with an advisory role played by the Diocesan Schools Service.

Following the formation of the Trust a full review of administrative structures was undertaken during 2018/19 with all administrative and business support appointments being the responsibility of the Trust with input from schools as required. During 2020/21 the Trust has also commenced a full review of structures and contract provision across all areas of Estates and Facilities management to deliver service improvements and efficiencies. The Trust operates a single bank account and accounting systems and has one set of standardised Financial Regulations and Procedures across all of its schools.

During 2020/21 the Trust has continued to update and develop a number of centrally approved policies covering all of the statutory areas, ensuring they comply with guidance from both the DfE, the Catholic Education Service and Middlesbrough Diocesan protocols. This work was supported by academic research into effective policy and planning development and review cycle which has been adopted by the Trust.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

Key management personnel defines those persons of the Trust having authority and responsibility for planning, directing and controlling the activities of the Trust, directly or indirectly and including all Trustees. Trustees who are not employees of the Trust receive no remuneration for the roles they undertake. The Trust's key management personnel are therefore defined to be the members of the Trust's Executive Leadership Team and the Head Teachers of individual schools within the Trust.

Trust based executive posts, including the Chief Executive Officer, have their pay set in line with the Trust's Executive Pay and Appraisal Policy with progression based on a recommendation to the Trust's Pay Committee. For the position of Chief Executive Officer external independent input is obtained to support any progression decisions by the Trust.

Head Teachers have their pay set in line with the Trust's Pay Policy which is reviewed annually and set in accordance with the School Teacher's Pay and Conditions Guidance. A recommendation is made from the Office of the Chief Executive, through the work of the Senior Standards Officers, for consideration by the Trust's Pay Committee in respect of pay progression for each respective Head Teacher.

In the case of an appeal by any of the Trust's key management personnel a separate panel of Trustees who are not members of the Pay Committee would be convened.

Nicholas Postgate Catholic Academy Trust

Trustees Report for the Year Ended 31 August 2021 (continued)

Head Teachers organise the performance management arrangements for all staff within each school and the objectives of staff are layered to reflect key priorities for the period both at a school and Trust level. This ensures performance of staff is linked to improvements identified by the Trust's Standards team and Head Teachers collectively and are in support of the Trust's overall vision and strategic priorities.

Trade union facility time

No Trust employee time has been spent on trade union activities in 2020/21.

Related Parties and Other Connected Charities and Organisations

The Trust is part of the Diocese of Middlesbrough and works alongside the Diocesan Education Office and is developing close links with the other 2 Trusts that are part of the Diocese of Middlesbrough. The Trust has no connected organisations but does work with local charities in pursuit of the activities defined by the objects of the Trust.

Engagement with Employees and Equalities

During 2020/21 the Trust has engaged with its employees through a broad variety of mechanisms to ensure they are fully aware and consulted on any matters affecting them. The Trust has an established framework in place for consultation and discussion with trade unions through a Joint Consultative Committee, with positive working relationships maintained during the year. This forum has dealt with policy development, HR related issues and has also included issues raised directly by our employees specific to their own school or workplace.

The Trust's common websites and e-mail communication platform significantly supports our ability to communicate with employees on a timely basis. This has been supported by a termly Trust magazine, regular newsletters, CEO updates and the effective use of social media platforms throughout the year.

The Trust communicates key decisions immediately after each Board meeting via the Head Teacher and Trust Business Manager forums which allows for updates to staff via each academy's regular leadership team meetings. Each Local Governing Body also communicates a summary sheet of "key issues" they wish the Trust to be aware of following each meeting. Moving into future periods and new arrangements the Trust will explore additional and innovative ways of communicating with its employees including the use of an overall staff feedback survey in addition to the system of regular pupil feedback mechanisms that we already have in place.

As a Trust we have put in place a wide ranging and comprehensive programme of CPD and leadership development and this will continue into future periods. The Trust ensures appropriate resources are ring-fenced to support this professional development and we also work very closely with the Diocese to utilise their CPD offer for our staff in addition.

On 18 September 2018 the Trust agreed its Equality Statement and Objectives in order to discharge its responsibilities under the Equality Act 2010 and to meet the Public Sector Equality Duty. This is now reviewed on an annual basis. This sets out our Trust's commitment to ban unfair treatment and achieve equal opportunities in the classroom, the workplace and in wider society and to embed equality considerations in day to day practice.

Nicholas Postgate Catholic Academy Trust

Trustees Report for the Year Ended 31 August 2021 (continued)

The duty to have "due regard" to equality considerations means that whenever significant decisions are being made or policies developed, thought will be given to the equality implications. Our policy sets out that as an employer, "the Trust will not discriminate against a potential employee in respect of whether to offer a job or the terms on which a position is offered and must not discriminate against an existing employee in respect of the benefits, facilities and services offered to employees, including training opportunities, promotion or dismissal".

All our schools are required to prepare and publish specific and measurable objectives to demonstrate how the Trust's Equality Objectives are being met. This includes the objective to continue to address workforce-based equality issues by conforming to agreed Human Resource procedures on appointments, promotions and other employment issues, but always appointing the best candidate.

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

The Trust is a significant contributor to engagement with the DfE and ESFA through a variety of established mechanisms which include regional CEO and CFO forums. Our Trust also has an agreed communication protocol in place with the 4 local authorities we operate across. Meaningful parental engagement is undertaken on a continuous basis both at an individual school level and led by the Trust to ensure key messages are both timely and accurate and to ensure the voices and opinions of our parents and pupils are accounted for when agreeing our strategic priorities.

With the centralisation during 2019/20 of our Exchequer functions engagement with our suppliers is led primarily by the Trust team. This has included correspondence setting out key contacts for raising creditor payment queries and direct meetings from April 2020 in respect of supporting key "at risk" suppliers during the national Covid-19 lockdown in line with the government's PPN 02/20 and 04/20 notices. During 2021/22 we will host a Local Supplier Conference to help these organisations understand how to do business with our Trust.

OBJECTIVES AND ACTIVITIES

Objects and Aims

Our vision is for a caring Trust dedicated to academic excellence and the spiritual and moral development of our pupils. We are a faith-based community that plays a positive role in the life of all local parishes. We are a spiritually-centred community, living the Catholic faith as expressed through worship and service.

We will create an environment that ensures the best use of all our facilities in a positive atmosphere which reflects and supports family values.

We will endeavour to create modern facilities in order to offer the best educational experience for our pupils. We will encourage the support of our alumni, who value our strong commitment to academic excellence and spiritual formation.

Our Trust envisages learning taking place in communities inspired by the Spirit of Christ, where Christ's commandment to love God and neighbour inspires a caring ethos which is expressed in relationships within and beyond our schools. All our schools promote the dignity, self-esteem and full development of every person, who is each made in God's image and uniquely loved by him.

All our schools are inclusive and are respectful of and engage with people of all beliefs. Within our schools we have a culture of tolerance where people of diverse identities are recognised, welcomed, respected and cherished.

Nicholas Postgate Catholic Academy Trust

Trustees Report for the Year Ended 31 August 2021 (continued)

We seek to make a difference to all groups of children, especially ensuring the most vulnerable in our society are not disadvantaged. Our schools work in partnership with families and parishes to promote strong, positive links. Every school in the Trust is on a journey of continual improvement, aspiring for year-on-year excellence.

To help deliver this vision the Trust's Board approved a new Strategic Plan during the year which will drive the Trust forward to 2023. This is set around 5 key objectives as follows:-

1. **Promote Catholic Values** - All pupils supported through faith formation.
2. **Build a Strong Infrastructure** - Having the capacity to fulfil all mandatory obligations and lead schools effectively and efficiently.
3. **Raise Attainment and Improve Progression** - Ensuring all schools deliver valid and consistent assessment approaches allied to effective and ongoing tracking and appropriate interventions, enabling pupils to maximise achievement.
4. **Support Excellent Standards in Teaching and Learning** - Improving the quality of provision from all our schools.
5. **Strong Leadership and Governance** - Providing outstanding governance and executive leadership with clear succession planning.

The overarching principle of our School Improvement Strategy, delivered through the Trust's School Improvement Framework, is that every school in the Trust is to be at least a "Good" school and if not already "Outstanding", to be working towards that goal.

Our aim is to ensure we have sustained improvement in outcomes for all pupils. At the heart of our strategy is the Trust supporting all schools in their commitment to provide:

- High-quality teaching.
- Robust and verifiable self-assessment.
- Effective leadership and governance.
- High-quality professional development for staff, enabling sustained and continual improvement and developing a workforce that is in line with future succession planning needs and talent management policies.
- Opportunities for the identification and dissemination of effective practice and engagement in research and development opportunities, including teacher inquiry.
- High-quality Initial Teacher Training in order to enable a highly skilled supply of future teachers and leaders.
- Safe schools with fair access.
- Affordability and value for money.

In accordance with the Articles of Association the Trust has adopted a "Scheme of Delegation" which specifies, amongst other things, composition and appointment to Local Governing Bodies and the functions delegated to these bodies.

Nicholas Postgate Catholic Academy Trust

Trustees Report for the Year Ended 31 August 2021 (continued)

The Trust's School Improvement Framework ensures that at the heart of our strategy there is a commitment that well informed and knowledgeable governors work with all our schools and support them to be effective and self-improving. Local governors play a crucial role within our approach to school improvement by ensuring that school leaders are effectively challenged and supported to ensure the highest quality of education for our pupils. The Trust's Link Governance Framework identifies 10 key areas that our governors monitor within schools. Insightful governance ensures the appropriate challenge and support is given to our schools. This framework also provides clarity for all local governors on their role under the Trust's Scheme of Delegation.

Each academy has its own development plan and this through the Trust's School Improvement Framework, together with the Trust's Medium Term Financial Strategy, links into the delivery of Trust's overall Strategic Plan.

The Trust is committed to developing Trust wide policies and procedures where appropriate to do so in support of the effective operations in line with the Scheme of Delegation and uses the Catholic Education Services' HR documentation for contracts of employment.

The Trust's Executive Leadership Team meets fortnightly and reviews progress against the Strategic Plan. The Head Teacher Leadership Forum meets every month to discuss ongoing operational and strategic matters that support the objectives in the Trust's Strategic Plan, with reports on academic performance and the financial position of the Trust being reported to the Trust's Board and its sub-committees.

Public Benefit

The Trust's aims and achievements are set out within this report and have been undertaken to further the charitable purposes for the public benefit, including the provision of state funded education. The Trustees have complied with the duty under section 4 of the Charities Act 2011, to have due regard to the public benefit guidance published by the Charity Commission for England and Wales. The Trustees have considered this guidance in deciding what activities the Trust should undertake and consider its aims are demonstrably for the public benefit. Individual schools within the Trust contribute directly to their own community through initiatives such as the letting out of premises to community groups and working within their local parishes to develop community involvement in each academy and the church.

STRATEGIC REPORT

Achievements and Performance

The year has been a challenging period in terms of dealing with the consequences of the Covid-19 pandemic while working at pace to deliver our strategic priorities. Inevitably the impact of Covid-19 has been significant for our Trust and yet we have strived to keep our schools open at all times, whilst also acting as a hub within the community to support our families who are most in need.

Our other key achievements against the Trust's stated objectives during 2020/21 also include:

- Significant progress achieved in our secondary school improvement journey, particularly at St Patrick's and St Peter's Catholic Colleges, delivered through the work of our internal standards team and in anticipation and readiness of forthcoming OFSTED inspections.
- An extremely positive independent inspection of the Trust. This was commissioned by the Diocese and highlighted many aspects of the Trust's work as system leading and with scalability.

Nicholas Postgate Catholic Academy Trust

Trustees Report for the Year Ended 31 August 2021 (continued)

- Implementation of our new pastoral structure in our 4 secondary schools to enhance pupil behaviour, attendance and safeguarding.
- A wide ranging and high quality CPD programme delivered; focused at all staff and levels within the Trust.
- Development and enhancement to both our primary and secondary standards team capacity to further improve our offer and support to schools.
- Delivery of a Trust procurement strategy with a significant reduction in reserves deployed to balance the 21/22 annual budget.
- Implementation of a Trust wide approach to support our most vulnerable learners.
- Continued embedding of our School Improvement Framework, linked to tiered support programmes and curriculum reviews.
- The delivery of further improvements in our provisions for careers guidance support, including becoming the first school in the country to launch an "igloo" virtual reality learning suite which will take this provision to system leading levels.
- The continued development of our virtual learning platform which has proved fundamental in ensuring continued access to education during periods of lockdown or self-isolation.
- The roll out of our Trust wide and cloud based HR system, bringing together in one place for the first time access to key employee information.
- The embedding of our Trust wide LGB LINK Governor Framework with associated CPD to deliver valued improvements to our schools at the local governance level, in parallel with a consistent Head Teacher reporting and agenda setting framework.
- Further improvements in communication protocols to highlight across our communities the work of the Trust and its constituent schools.
- Continued activity and engagement through our Trust wide Sports Partnership that has transformed our PE provision and enabled our schools to offer the richest and most varied extra curricular programme possible.
- The delivery of continued capital and condition improvements to our estate through a £1.5m annual investment plan, including major developments at Trinity Catholic College and St. Peter's Catholic College and with plans agreed for the physical expansion of St. Joseph's and St. Edward's primary schools.

Key Performance Indicators

As part of steps taken to fight the spread of Covid-19, the government announced that all exams due to take place in schools and colleges in England in summer 2020 were cancelled.

KS2 assessments in our primary schools did not therefore go ahead and as such the table below reflects the 2019 results, for the previous year, that highlighted our Trust as the sixth best performing MAT in the country overall.

In our secondary schools the government based results on teacher assessment grades (TAGs), which are the grades our schools and colleges assessed students were most likely to have achieved, had exams gone ahead and these are included in the second table below.

Nicholas Postgate Catholic Academy Trust

Trustees Report for the Year Ended 31 August 2021 (continued)

Primary Schools	Current Ofsted Report	S.48 Rating	Attendance %	KS2 READING, WRITING & MATHS COMBINED EXS+ (%)	KS2 SPaG EXS+ (%)
All Saints	Inadequate	Requires Improvement	93.33	40	100
Christ the King	Good	Outstanding	95.23	81	91.5
Corpus Christi	Good	Good	94.53	52	58.6
Sacred Heart	Good	Good	95.89	69	75
St. Alphonsus'	Good	Good	94.05	42	64
St. Augustine's	Good	Outstanding	95.92	89	100
St. Bede's	Requires Improvement	Outstanding	96.84	59	82.8
St. Benedict's	Good	Outstanding	96.39	84	87.3
St. Bernadette's	Good	Outstanding	95.93	82	96.4
St. Clare's	Good	Outstanding	96.47	79	93.1
St. Edward's	Outstanding	Outstanding	97.03	96	100

Nicholas Postgate Catholic Academy Trust

Trustees Report for the Year Ended 31 August 2021 (continued)

St. Gabriel's	Good	Outstanding	95.77	30	60
St. Gerard's	Good	Good	94.60	62	76.2
St. Joseph's, Middlesbrough	Good	Outstanding	95.72	73	87.8
St. Joseph's, Loftus	Outstanding	Good	96.82	72	100
St. Margaret Clitherow	Good	Outstanding	96.00	72	87.5
St. Mary's	Outstanding	Good	95.58	86	96.4
St. Patrick's	Outstanding	Outstanding	96.01	72	87.7
St. Paulinus	Good	Good	97.26	100	100
St. Pius X	Good	Outstanding	94.68	57	65.2
St. Therese of Lisieux	Outstanding	Outstanding	96.36	90	96.7
St. Thomas More	Good	Good	95.04	81	93.8

Nicholas Postgate Catholic Academy Trust

Trustees Report for the Year Ended 31 August 2021 (continued)

<u>St Patrick's Catholic College</u>	
OFSTED Rating	Inadequate
S.48 Rating	Outstanding
Attainment 4+ English & Maths	58%
Attainment 5+ English & Maths	41%
Progress 8	-0.14
<u>St. Peter's Catholic College</u>	
OFSTED Rating	Requires Improvement
S.48 Rating	Requires Improvement
Attainment 4+ English & Maths	49%
Attainment 5+ English & Maths	26%
Progress 8	-0.42
<u>Sacred Heart Secondary School</u>	
OFSTED Rating	Requires Improvement
S.48 Rating	Outstanding
Attainment 4+ English & Maths	81%
Attainment 5+ English & Maths	63%
Progress 8	-0.35
<u>Trinity Catholic College</u>	
OFSTED Rating	Requires Improvement
S.48 Rating	Good
Attainment 4+ English & Maths	54%
Attainment 5+ English & Maths	35%
Progress 8	-0.31
<u>Sixth Form</u>	
A Level APS	41.75
Applied General APS	53
% A*- B grades	76
% A*- E grades	100
% A Level students achieving 3 A Levels at grade AAB or higher in facilitating subjects	28

Nicholas Postgate Catholic Academy Trust

Trustees Report for the Year Ended 31 August 2021 (continued)

Key

SPaG – Spelling, Punctuation & Grammar

EXS+ - Pupils working at the expected standard or above

Going Concern

After making appropriate enquiries, the board of trustees have 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 can be found in the Accounting Policies.

Promoting the success of the company

The Board of Trustees seeks to embed a culture within the Trust of the highest standards of conduct that matches our strategic objectives and in doing so delivers benefits to all our stakeholders including our members, employees and the local communities and families that we serve.

Decisions taken by the Board of Trustees will consider any impact over the longer term with reference to each of these stakeholder groups and the need to act fairly and with integrity at all times. As an example this will extend to ensuring we act as a caring employer and maintain effective working relationships with key suppliers who work with the Trust. We will also evaluate the impact of our operations on the environment and seek to lead by example in reducing our carbon footprint. By acting in this way we will ensure the success of Nicholas Postgate Catholic Academy Trust is promoted throughout our communities who will also then share in our success.

FINANCIAL REVIEW

The majority of the Trusts' income for the period of account is obtained from either the ESFA (Education & Skills Funding Agency) or Local Authorities as commissioners of pupil places, the use of which is restricted to particular purposes. The grants and funding received from these bodies for the period and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the period ending 31 August 2021 total expenditure of £54,722,000 (excluding net inherited liabilities) was more than covered by grant funding from the ESFA and commissioned place income from Local Authorities together with other incoming resources. The excess of income over expenditure for the period (excluding inherited assets and liabilities, restricted fixed asset funds and before pension transfer) was £89,000. The actual outturn position reported in the management accounts for the period, excluding transfers between funds and depreciation, was a surplus of £18,000.

At 31 August 2021 the net book value of fixed assets was £10,990,000. The assets were used exclusively for providing education and associated support to the pupils in the schools within the Trust.

Nicholas Postgate Catholic Academy Trust

Trustees Report for the Year Ended 31 August 2021 (continued)

The Trust occupies land, including buildings, which are owned by its Members; the Diocese of Middlesbrough. The Members are the providers of the schools on the same basis as when they were maintained schools. The Trust therefore occupies the land and buildings under a licence. The continuing permission of the Members is pursuant to, and subject to, the Members' charitable objectives and is part of the Catholic Church's contribution since 1847 to provide state funded education in partnership with the state. The licence delegates aspects of the management of the land and buildings to the Trust, but does not vest any rights over the land in the Trust. The Members have given an undertaking to the Secretary of State for Education that they will not give the Trust less than two years notice to terminate the occupation of the land and buildings. Having therefore considered the basis of which the Trust is occupying the land and buildings the Trustees have concluded that the value of these land and buildings will not be recognised on the Trust's balance sheet.

Six of the schools within the Trust have loan balances owing to the Diocese of Middlesbrough. These liabilities were entered into prior to the incorporation of the Trust as local authority maintained schools and were for the purpose of capital investment in the condition of the assets. The total principal outstanding on these loans as at 31 August 2021 was £205,000.

Under accounting standard FRS102, it is necessary to charge projected deficits on the Local Government Pension Scheme, which is provided for support staff, to the restricted Fund. This resulted in the pension fund showing a deficit of £24,387,000 which has been carried forward to 2021/22. It should be noted that this does not present a liquidity problem for the Trust and that we are reviewing contributions to the pension scheme in order to see a reduction in the pension deficit in future periods.

Reserves Policy

The Trust holds both restricted and restricted funds which are detailed in the financial statements. Unrestricted funds are held:

- To provide funds which can be designated to specific areas to meet the wider charitable objectives of the Trust.
- To cover ongoing costs in relation to the running of the Trust's schools.

The level of reserves was reviewed by the Trustees regularly throughout the period and the minimum level of reserves for the ongoing needs of the academy is reviewed by Trustees on at least an annual basis and is set out in the Trust's Financial Reserves Policy. This review encompasses the nature of income and expenditure streams, the need to match income with spending commitments and the nature of the reserves held. In reviewing the sufficient level of reserves required during 2020/21 the Trustees decided to use the recommended measure from the DfE based on an amount equivalent to one month's worth of salary expenditure. This was considered sufficient to mitigate financial management risks such as a falling roll and capital investment requirements. The overall minimum level on this basis has therefore been set at £3.2m.

The Trust returned an in year surplus of £121,000, which resulted in closing revenue reserves totalling £5,351,000 (comprising £nil of restricted reserves (excluding pension and fixed assets) and £5,351,000 of "free" or unrestricted reserves) and are therefore considered more than sufficient for the ongoing needs of the Trust.

The importance of reserves is recognised for the sustainability of the Trust's operations and its capacity to deal with unforeseen events. Ongoing reviews of the strategic risks that the Trust faces will help in informing the level of reserves required going forward.

Nicholas Postgate Catholic Academy Trust

Trustees Report for the Year Ended 31 August 2021 (continued)

Funds are accounted for centrally and managed by the Trust's Directors for the benefit of all schools within the Trust and in line with the Trust's Policy on Financial Reserves. This allows for the Trust to support individual schools and wider overarching strategic priorities by deploying funds in a flexible manner based on an ongoing assessment of needs and risks.

Investment Policy

The Trust has a Treasury Management and Investment Policy which allows for the investment of surplus funds in term deposits with the Trust's banker or with another UK institution regulated by the Financial Conduct Authority or the Prudential Regulation Authority. The Board reviewed this policy in July 2021 taking a prudent view that investments would be placed only with the Trust's current banker (or with another UK institution regulated by the Financial Conduct Authority or the Prudential Regulation Authority and with a credit rating of at least equal to the Trust's banker) and for a period of no longer than 12 months dependent on cash flow projections and likely levels of reserves. This has generated an additional income stream, albeit reduced from 2019/20 as a result of current interest rate levels, while allowing the Trust to be mindful of both liquidity and counterparty risks.

Principal Risks and Uncertainties

The principal risks and uncertainties facing the Trust are recorded and monitored on an operational basis in each school's operational risk register which links into the Trust's overall strategic risk register. A further in depth risk assessment is undertaken as part of the Trust's tier placement system under its School Improvement Framework. This work is overseen by the Trustees in line with the Trust's Risk Management Policy.

Principal financial risks are centred on changes in the level of funding from the ESFA, the need for significant capital investment in the Trust's estate and the continued membership of the Local Government Pension Scheme which results in the recognition of a significant deficit on the Trust's balance sheet. Trustees have implemented a number of controls to ensure financial risks are well managed including the provision of insurance cover where residual risks remain.

The principal non-financial risks that the Trust faces are focused around ensuring effective governance and leadership to drive up and maintain academic standards, managing attendance and behaviour of pupils and ensuring that safeguarding systems for the protection and well-being of the Trust's pupils are continuously effective.

Trustees have implemented a number of systems to assess and manage risks particularly in operational areas and these include the use of external health and safety consultants, robust safeguarding policies and procedures and ongoing CPD and training for all employees.

In addition the Trust has fully implemented the requirements of the Safer Recruitment procedures and all relevant staff have received training in this area.

Fundraising

Our Trust's approach to fundraising is driven by our individual schools as we firmly believe they know their local communities the best. PTA organisations are locally based and subject to separate governance instruments. At the current time we do not work with any professional fundraisers or commercial parties to seek additional funds for the Trust with the exception of well publicised and school specific grants for areas such as breakfast clubs. We do however actively seek out external grants with partner organisations for specific areas such as staff development and these are governed by individual funding agreements.

Nicholas Postgate Catholic Academy Trust

Trustees Report for the Year Ended 31 August 2021 (continued)

All fundraising activity is covered by existing procedures including our Complaints and Whistleblowing policies and this ensures our approach is transparent and ethical at all times.

During 2021/22 we will launch an overarching Trust Fundraising Strategy which will include the development of a Trust alumni and plans for a Trust wide green lottery to start us on our journey to Net Zero.

Streamlined Energy and Carbon Reporting

As our Trust is a large company, as determined by sections 465 and 466 of the Companies Act 2006 and consumes more than 40,000 KWh of energy (in the UK) in a reporting period, we must now disclose certain information around our energy use and carbon footprint. The Trust's energy usage and methodology for the period is reported for the first time as set out below:

Energy Source	Consumption	Scope	Emissions Calculation
Gas Total KWh used for the year taken from gas bills from each premises within the Trust.	7,425,520 KWh	One	$\text{Total KWh} \times 0.18387 =$ KgCO_2e $7,425,520 \times 0.18387 =$ $1,365,330.36$ $1365330.36 / 1000 =$ 1365.33 1365.33 tCO₂e
Electrical Total KWh used for the year taken from electricity bills from each premises within the Trust.	2,581,550.97 KWh	Two	$\text{Total KWh} \times 0.23314 =$ kgCO_2e $2,581,550.97 \times 0.23314 =$ $601,862.79$ $601,862.79 / 1000 = 601.86$ 601.86 tCO₂e
Transport - Minibus Mileage Total 17,500 Miles	20,906.55 KWh	One	$\text{Total Miles} \times 1.19466 = \text{KWh}$ $17500 \times 1.19466 =$ $20,906.55$ $17500 \text{ Miles} = 28162.52 \text{ KM}$ $28162.52 \times 0.18900 =$ $5,322.72 \text{ KgCO}_2\text{e}$ $5,322.72 / 1000 = 5.32$ 5.32 tCO₂e
Transport – Staff Millage 31,953 Reimbursement Miles	52,144.10 KWh	Three	$\text{Total Miles} \times 1.6319 = \text{KWh}$ $31953 \times 1.6319 = 52144.10$ $31953 \times 0.28052 = 8963.46$ KgCO_2e $8963.46 / 1000 = 8.96$ 8.96 tCO₂e
Total	10,080,121.62KWh		1981.47 tCO₂e
Intensity Ratio	Emissions data compared with total Trust pupil numbers		$\text{Total tCO}_2\text{e} / \text{Total number of pupils}$ $1981.47 / 8,872 = 0.223$ 0.22 tCO₂e per pupil

Nicholas Postgate Catholic Academy Trust

Trustees Report for the Year Ended 31 August 2021 (continued)

The Trust is developing an energy management strategy, linked to our review of Estates & Facilities management to allow us to reduce our carbon footprint over the medium term. To support this we are bidding for decarbonisation funding from the government to pump prime this approach. We are also assessing initiatives to encourage employees to switch to electric and ultra-low emission vehicles.

PLANS FOR FUTURE PERIODS

The Trust has updated its Strategic Plan for 2020 to 2023 to enable the successes of our first 2 years to be taken forward and built upon significantly. Key areas of focus for the forthcoming year are as follows:-

- Ensuring continued improvement in our secondary schools through a review of current structures, catholic life provision, ensuring a consistent approach to pupil tracking systems, curriculum redesign and a strong focus on student behaviour.
- Launch of our sixth form T6 growth strategy built around effective curriculum design and a football and netball academy offer.
- To continue with our overall strategy of working towards every school in our Trust to be at least "Good" or working towards "Outstanding" in OFSTED terms through high quality teaching and effective leadership.
- Continued pupil growth and expansion where required to meet denominational need.
- To continue with the embedding of our exciting LINK governor framework to ensure our local governors have the relevant depth of knowledge to fulfil their roles effectively and in order to contribute fully towards school improvement.
- The development of an income generation and fundraising strategy for the Trust.
- Embedding our extra-curricular opportunities through the our Trust Sports Partnership and Student Enrichment programme.
- Undertaking a full review of SEND provision across the Trust, with alternative and more effective working models to support our most vulnerable pupils and families.
- To further develop our data management strategy through the rationalisation and improved utilisation of management information systems and the development of further power-bi generated team reporting dashboards.
- A continued focus on ensuring engagement with pupils, parents, staff, governors and other stakeholders is both timely and effective through a clear communications strategy.
- To fully complete our Trust wide review of estates and facilities management, linked to the implementation of our compliance system to deliver VFM and premises that are safe and enriching for all. This will also include the appointment of an internal Trust Development Chef to support our new catering contract and to maintain and continuously improve the food offer for our pupils.
- To continue to embed strong and effective financial management and the next phase of our Trust wide procurement strategy to deliver higher quality services at a reduced or comparable cost. This will include our first supplier days, highlighting "How to do Business with NPCAT."

FUNDS HELD AS CUSTODIAN ON BEHALF OF OTHERS

There are no funds held as Custodian Trustee on behalf of others.

Nicholas Postgate Catholic Academy Trust

Trustees Report for the Year Ended 31 August 2021 (continued)

Auditor

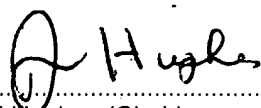
In so far as the trustees are aware:

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

Reappointment of auditor

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of MHA Tait Walker as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

The trustees report, incorporating a Strategic Report, was approved by order of the members of the Governing Body on 14 December 2021 and signed on its behalf by:



J Hughes (Chair)
Trustee

Nicholas Postgate Catholic Academy Trust

Governance Statement

Scope of Responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the 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 Nicholas Postgate Catholic Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 6 times during the period. Attendance during the period at meetings of the Board of Trustees was as follows:

Trustee	Meetings Attended	Out of a Possible
Maureen McCullagh	5	6
Kevin Duffy	3	5
Canon Turnham	6	6
Joe Hughes	6	6
Josie Wilson	4	6
John Walton	2	6
Nick Mack	3	6
Jamie Brown	1	6
Hugh Hegarty	5	6
Mike King	2	3
Mark Dent	4	5

The Finance and Resources and Audit & Risk Committees are 2 of the 3 sub-committees of the Board of Trustees and their purpose is to support the main board in ensuring strong financial and risk management systems operate across the Trust and to also have oversight of health and safety issues. Their remits include:

- Overseeing compliance with the Academies Financial Handbook;
- Reviewing and monitoring budgets and the Trust's Medium Term Financial Strategy;
- Consideration of capital investment priorities;
- Reviewing the financial policies of the Trust;
- Overseeing the effective implementation of any audit recommendations;

Nicholas Postgate Catholic Academy Trust

Governance Statement (continued)

- Reviewing insurance cover; and
- Ensuring the Trust achieves value for money and demonstrates regularity and propriety.

In this accounting period the Finance and Resources Committee and Audit & Risk Committee has met 7 times and monitored the financial position of the Trust, received assurance reports from the Trust's internal assurance provider, reviewed annual budgets and recommended these to the Board, overseen the awarding of any contracts with a value greater than £75,000 and reviewed the first iterations of the Trust's strategic risk register. The Trust's Accounting Officer, Chief Operating Officer and Head of Finance attend all meetings and in addition Mr John Walton, Trustee, is a chartered accountant.

Trustee	Meetings Attended	Out of a Possible
Joe Hughes	7	7
Hugh Hegarty	7	7
James Brown	7	7
John Walton	4	7
Nick Mack	2	7
Mike King	1	4

Trustees have reviewed the effectiveness of the Trust's governance arrangements for 2020/21 through a comprehensive approach and evaluation, which has included:

- Building on our 2019/20 self-assessment of governance to appoint 2 further Trustees with school improvement and commercial experience.
- Undertaking a further annual self-assessment and skills audit in 2020/21 to help inform future plans and CPD requirements.
- A 360 degree Chair of the Board appraisal to help identify good practice and any developmental needs.

Reflecting on 2020/21 the Board are positive about the work undertaken to date in relation to the development of the trust's governance arrangements believing there is a clear shared long term vision in place for the Trust, with structures that meet compliance and regulatory requirements, effective clerking to the Board and with Trustees feeling secure in being able to articulate their own contribution into the progress made over the last 12 months.

Trustees recognise the significant input and contribution from the Trust's local governors during what has been a year of significant changes in responsibilities based on the Trust's updated Scheme of Delegation and the launch of our local Link Governor Framework.

Key developments have been made during the year on monitoring performance data on academic attainment and progress. In addition all Trustees receive our monthly management accounts and the Trust's Finance & Resources committee receives quarterly budget monitoring reports with key variances to budget highlighted and financial benchmarking data across a number of key indicators for all 27 schools. This allows comparisons on staffing costs and value for money to be evaluated. As a result of this comprehensive approach the Board is satisfied in respect of the quality of performance information that it receives and is confident that it allows timely interventions across all of operations where required.

Nicholas Postgate Catholic Academy Trust

Governance Statement (continued)

Areas that have been identified for future development include:

- Continuing to ensure effective two way communication is in place across the Trust at all levels and with all stakeholders.
- A further review of the Scheme of Delegation now that the Trust is maturing as an organisation and linked to our Link Governor Framework.
- Development of Director level CPD briefings and updating of skills gap analysis.
- Ensuring there is effective succession planning in place for Board leadership roles.
- Embedding of overall quality assurance systems across the Trust to provide Trustees with more regular assurance on issues of statutory compliance.

Review of Value for Money

The Trust's Accounting Officer has responsibility for ensuring that the trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic period, 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 Trust has delivered improved value for money during the period by:

- Delivery of our first procurement strategy for the Trust which has generated savings in excess of £0.3m
- Continued use of the approved CCS Lot 2 framework to appoint a single teaching supply agency with associated efficiencies and quality assurance mechanisms.
- Re-tendering of major contracts across catering, grounds maintenance, mechanical and electrical maintenance and fire alarm and extinguisher maintenance.
- Continuing our journey towards becoming a cashless Trust with all schools now using a parent payment portal solution.
- Commencement of a full review of Estates and Facilities management across the Trust with the aim of delivering significant savings and more efficient working models for the Trust.
- Delivery of an enhanced capital programme using an integrated planning approach and professional input from the Trust's own Head of Estates & Facilities.
- A fully integrated approach to the 21/22 budget setting process between finance and standards leads, delivering a further reduction in reserves deployed to support this budget.
- The Trust's CFO undertook his first Schools Resource Management Advisor (SRMA) deployment in support of another large regional MAT.
- Effective use of the Trust's School Improvement Framework risk assessment process informing priorities for resource allocation

Nicholas Postgate Catholic Academy Trust

Governance Statement (continued)

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 the Trust's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Nicholas Postgate Catholic Academy Trust 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 Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing its 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.

The Risk and Control Framework

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

The Board of Trustees has considered the need for a specific internal audit function and has appointed Baldwins (rebranded as Azets in 2020/21) to undertake a programme of internal assurance checks twice a year in the Spring and Summer terms, covering all 27 schools and the Trust's central team.

This role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. In particular the checks carried out in the current period included:

- testing of payroll systems;
- testing of purchase systems;
- testing of control account/bank reconciliations;
- testing of expense claims;

Nicholas Postgate Catholic Academy Trust

Governance Statement (continued)

- testing of gifts and hospitality;
- testing of income;
- testing of financial reporting procedures;
- testing of trustee and governor registers of business interests;
- testing of inventories and asset registers; and
- reviewing the taxation position of the Trust.

Following each assurance visit Azets Audit Services report to the Board of Trustees, through the Trust's Audit & Risk Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

The auditor has undertaken two termly reviews in 2020/21 and two low risk recommendations were raised to address the weaknesses identified.

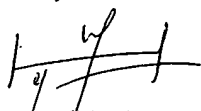
Review of Effectiveness

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

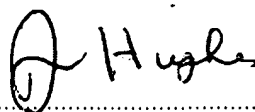
- the work of the internal assurance reviews undertaken by the appointed provider;
- the external audit of the Trust's financial statements for 2020/21; and
- the work of the Trust's Chief Operating Officer (nominated CFO) and central finance team who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Governing Body on 14 December 2021 and signed on its behalf by:



H M Hegarty
Trustee



J Hughes (Chair)
Trustee

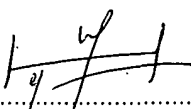
Nicholas Postgate Catholic Academy Trust

Statement of Regularity, Propriety and Compliance

As Accounting Officer of Nicholas Postgate Catholic Academy Trust I have considered my responsibility to notify the academy trust Governing Body 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 academy trust, under the funding agreement in place between the academy trust 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 academy trust Governing Body are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust'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 Governing Body and ESFA.


.....
H M Hegarty
Accounting officer

14 December 2021

Nicholas Postgate Catholic Academy Trust

Statement of Trustees' Responsibilities

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

Company law requires the trustees to prepare financial statements for each financial 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 its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

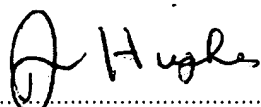
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards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

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

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

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

Approved by order of the members of the Board on 14 December 2021 and signed on its behalf by:



J Hughes (Chair)
Trustee

Nicholas Postgate Catholic Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Nicholas Postgate Catholic Academy Trust

Opinion

We have audited the financial statements of Nicholas Postgate Catholic Academy Trust (the 'Academy') for the year ended 31 August 2021, which comprise the Statement of Financial Activities for the (including Income and Expenditure Account), Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 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 the Academies Accounts Direction 2020 to 2021.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Academy 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 Academy's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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 (covers the Reference and Administrative Details, the Trustees Report and the Governance Statement)

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

Nicholas Postgate Catholic Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Nicholas Postgate Catholic Academy Trust (continued)

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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 [set out on page 25], the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Nicholas Postgate Catholic Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Nicholas Postgate Catholic Academy Trust (continued)

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- enquiries of management and those charged with governance around any actual or potential litigation and claims;
- enquiries of management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- challenging assumptions and judgements made by management in their significant accounting estimates;
- auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- reading correspondence with regulators including the OFSTED;
- reviewing minutes of those charged with governance;
- reviewing internal assurance reports; and
- reviewing financial statement disclosures and testing to support documentation.

We identified the following areas as those most likely to have a material impact on the financial statements: Health and Safety; employment law (including the Working Time Directive); and compliance with the Charities Act 2011 and UK Companies Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.


A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Nicholas Postgate Catholic Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Nicholas Postgate Catholic Academy Trust (continued)

Use of our report

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



.....
Brian Laidlaw BA CA (Senior Statutory Auditor)
For and on behalf of MHA Tait Walker,
Statutory Auditor
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Date: 15 December 2021

MHA Tait Walker is a trading name of Tait Walker LLP.

Nicholas Postgate Catholic Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to Nicholas Postgate Catholic Academy Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 22 April 2021 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 Nicholas Postgate Catholic Academy Trust 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.

Respective responsibilities of the Governing Body's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of the Governing Body's funding agreement with the Secretary of State for Education dated 29 September 2014 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 year from 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 Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- Review of Governing Body and committee minutes;
- Review of available Internal Assurance reports;
- Completion of self assessment questionnaire by Accounting Officer;
- Discussions with the Accounting Officer and finance team;
- Review documentation provided to Governors and Accounting Officer setting out responsibilities;
- Obtained formal letter of representation detailing the responsibilities of Governors;
- Review of payroll, purchases and expenses claims on a sample basis;
- Confirmation that the lines of delegation and limits set have been adhered to;

Nicholas Postgate Catholic Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to Nicholas Postgate Catholic Academy Trust and the Education and Skills Funding Agency (continued)

- Evaluation of internal control procedures and reporting lines;
- Review cash payments for unusual transactions;
- Review of credit card transactions;
- Review of register of interests;
- Review related party transactions;
- Review of borrowing agreements;
- Review of land and building transactions;
- Review of potential and actual bad debts;
- Review an instance of gifts/hospitality to ensure in line with policy;
- Consideration of governance issues.

Conclusion

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

This report is made solely to Nicholas Postgate Catholic Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to Nicholas Postgate Catholic Academy Trust 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 Nicholas Postgate Catholic Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.



.....
MHA Tait Walker
Chartered Accountants
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Date: 15 December 2021
.....

MHA Tait Walker is a trading name of Tait Walker LLP.

Nicholas Postgate Catholic Academy Trust

Statement of Financial Activities for the Year Ended 31 August 2021 (including Income and Expenditure Account)

Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total 2021 £ 000
Income and endowments from:				
Voluntary income				
Donations and capital grants	2 49	-	1,398	1,447
Transfer from local authority on conversion	32 37	(50)	60	47
<i>Charitable activities:</i>				
Funding for the Academy trust's educational operations	3 -	49,619	-	49,619
Teaching schools	31 40	-	-	40
Other trading activities	4 2,076	-	-	2,076
Investments	5 32	-	-	32
Total	2,234	49,569	1,458	53,261
Expenditure on:				
<i>Charitable activities:</i>				
Academy trust educational operations	7 1,115	52,951	619	54,685
Teaching schools	31 37	-	-	37
Total	1,152	52,951	619	54,722
Net income/(expenditure)	1,082	(3,382)	839	(1,461)
Transfers between funds	(993)	208	785	-
Other recognised gains and losses				
Actuarial gains/(losses) on defined benefit pension schemes	28 -	1,582	-	1,582
Net movement in funds/(deficit)	89	(1,592)	1,624	121
Reconciliation of funds				
Total funds/(deficit) brought forward at 1 September 2020	5,262	(22,795)	10,508	(7,025)
Total funds/(deficit) carried forward at 31 August 2021	5,351	(24,387)	12,132	(6,904)

Nicholas Postgate Catholic Academy Trust

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

	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total 2020 £ 000
Income and endowments from:					
Voluntary income					
Donations and capital grants	2	115	-	1,419	1,534
Transfer from local authority on conversion		4	-	-	4
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	47,494	-	47,494
Teaching schools	31	45	-	-	45
Other trading activities	4	2,630	-	-	2,630
Investments	5	13	-	-	13
Total		2,807	47,494	1,419	51,720
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	7	1,205	51,012	529	52,746
Teaching schools	31	28	-	-	28
Total		1,233	51,012	529	52,774
Net income/(expenditure)		1,574	(3,518)	890	(1,054)
Transfers between funds		(1,222)	1,081	141	-
Other recognised gains and losses					
Actuarial gains/(losses) on defined benefit pension schemes	28	-	(5,884)	-	(5,884)
Net movement in funds/(deficit)		352	(8,321)	1,031	(6,938)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2019		4,910	(14,474)	9,477	(87)
Total funds/(deficit) carried forward at 31 August 2020		5,262	(22,795)	10,508	(7,025)

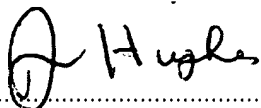
Nicholas Postgate Catholic Academy Trust

(Registration number: 09203984)

Balance Sheet

	Note	2021 £ 000	2020 £ 000
Fixed assets			
Tangible assets	13	10,990	8,768
Current assets			
Stocks	14	3	3
Debtors	15	2,247	2,132
Current asset investments	16	3,000	5,000
Cash at bank and in hand		6,409	4,524
		<u>11,659</u>	<u>11,659</u>
Creditors: Amounts falling due within one year	17	<u>(4,998)</u>	<u>(4,440)</u>
Net current assets		<u>6,661</u>	<u>7,219</u>
Total assets less current liabilities		17,651	15,987
Creditors: Amounts falling due after more than one year	18	<u>(168)</u>	<u>(217)</u>
Net assets excluding pension liability		17,483	15,770
Pension scheme liability	28	<u>(24,387)</u>	<u>(22,795)</u>
Net liabilities including pension liability		<u>(6,904)</u>	<u>(7,025)</u>
Funds of the Academy:			
Restricted funds			
Restricted fixed asset fund	19	12,132	10,508
Restricted pension fund	19	<u>(24,387)</u>	<u>(22,795)</u>
		(12,255)	(12,287)
Unrestricted funds			
Unrestricted income fund	19	<u>5,351</u>	<u>5,262</u>
Total funds		<u>(6,904)</u>	<u>(7,025)</u>

The financial statements on pages 32 to 69 were approved by the trustees, and authorised for issue on 14 December 2021 and signed on their behalf by:



J Hughes (Chair)
Trustee

Nicholas Postgate Catholic Academy Trust

Statement of Cash Flows

	Note	2021 £ 000	2020 £ 000
Cash flows from operating activities			
Net cash provided by (used in) operating activities	22	1,279	1,093
Cash flows from investing activities	24	649	(3,648)
Cash flows from financing activities	23	<u>(43)</u>	<u>(59)</u>
Change in cash and cash equivalents in the year		1,885	(2,614)
Cash and cash equivalents at 1 September		<u>4,524</u>	<u>7,138</u>
Cash and cash equivalents at 31 August	25	<u><u>6,409</u></u>	<u><u>4,524</u></u>

Nicholas Postgate Catholic Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021

1 Accounting policies

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

Basis of preparation

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

These financial statements are prepared in sterling which is the functional currency of the entity.

Going concern

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

Income

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

Grants

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

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

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

Nicholas Postgate Catholic Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Donations

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

Other income

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

Investment income

Interest receivable is included in the Statement of Financial Activities on an accruals basis.

Transfer on conversion

Where assets and liabilities are received by the academy trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the academy trust. An equal amount of income is recognised as transfer on conversion within donations and capital grant income.

Expenditure

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

Intangible fixed assets

Intangible assets costing £2,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment. Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Asset class	Amortisation method and rate
Computer software	3 years straight line

Nicholas Postgate Catholic Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Tangible fixed assets

Land, buildings and improvements over £5,000 and plant, machinery, equipment vehicles or and ICT over £1,000 are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on either a straight-line or reducing balance basis over its expected useful lives, per the table below.

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

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

Asset class	Depreciation method and rate
Long leasehold land	125 years straight line
Long leasehold land improvements	20 years straight line
Long Church owned land improvements	20 years straight line
Long leasehold building	25 - 50 years straight line
Long Church owned building improvements	50 years straight line
Fixtures & fittings	7 years straight line
Motor vehicles	4 years straight line
Computer equipment	3 years straight line

Liabilities

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

Provisions

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

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

Nicholas Postgate Catholic Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Leased assets

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

Investments

Current asset investments are included in the Balance Sheet at fair value. Fair value gains and losses are recognised in the Statement of Financial Activities.

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 15. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 17. 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. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

Stock

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

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.

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

Nicholas Postgate Catholic Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

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

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

Fund accounting

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

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

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

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

The 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.

Local Government Pension Scheme

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 28, 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.

Nicholas Postgate Catholic Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Depreciation

The academy trust has made an estimate of the useful lives of the tangible fixed assets. The estimation requires the company to consider how long the asset is likely to be useful and charge the cost of the tangible fixed asset over its life to the Statement of Financial Activities. The charge for the current year was £619,000 (2020 - £529,000).

Critical areas of judgement

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Assessing indicator of impairment.

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

Agency accounting

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 30.

2 Donations and capital grants

	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2021 £ 000	Total 2020 £ 000
Other voluntary income					
Capital grants	-	-	1,398	1,398	1,419
Other donations	49	-	-	49	115
	<u>49</u>	<u>-</u>	<u>1,398</u>	<u>1,447</u>	<u>1,534</u>
	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2020 £ 000	
Total 2020	<u>115</u>	<u>-</u>	<u>1,419</u>	<u>1,534</u>	

Nicholas Postgate Catholic Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

3 Funding for the Academy Trust's educational operations

	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2021 £ 000	Total 2020 £ 000
DfE/ESFA revenue grants					
General Annual Grant GAG	-	39,433	-	39,433	38,414
Other ESFA Group grants	-	6,457	-	6,457	6,443
	-	45,890	-	45,890	44,857
Other government grants					
Local authority grants	-	2,970	-	2,970	2,487
Other Government grants	-	127	-	127	63
	-	3,097	-	3,097	2,550
COVID-19 additional funding (non-DfE/ESFA)					
Coronavirus exceptional support	-	514	-	514	87
Other Coronavirus funding	-	118	-	118	-
	-	632	-	632	87
Total grants	-	49,619	-	49,619	47,494
	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2020 £ 000	
Total 2020	-	47,494	-	47,494	

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

Nicholas Postgate Catholic Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

3 Funding for the Academy Trust's educational operations (continued)

	2021 £ 000	2020 £ 000
Other DfE/ESFA Grants		
Rates reclaim	169	219
Pupil Premium and Service Premium	3,183	3,152
Universal Infant Free School Meals (UifSM)	658	712
PE and Sports Grant	430	301
Year 7 Catch Up Grant	-	33
Other	140	144
Teachers' Pay Grant	1,877	1,882
	<u>6,457</u>	<u>6,443</u>

4 Other trading activities

	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2021 £ 000	Total 2020 £ 000
Lettings income	12	-	-	12	110
Catering income	487	-	-	487	436
Staff absence insurance	473	-	-	473	288
Trip income	440	-	-	440	224
School transport	135	-	-	135	146
Uniform income	22	-	-	22	5
Sundry income	507	-	-	507	1,421
	<u>2,076</u>	<u>-</u>	<u>-</u>	<u>2,076</u>	<u>2,630</u>
	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2020 £ 000	
Total 2020	<u>2,630</u>	<u>-</u>	<u>-</u>	<u>2,630</u>	

5 Investment income

	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2021 £ 000	Total 2020 £ 000
Short term deposits	<u>32</u>	<u>-</u>	<u>-</u>	<u>32</u>	<u>13</u>
	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2020 £ 000	
Total 2020	<u>13</u>	<u>-</u>	<u>-</u>	<u>13</u>	

Nicholas Postgate Catholic Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

6 Expenditure

	Non Pay Expenditure			Total	Total
	Staff costs	Premises	Other costs	2021	2020
	£ 000	£ 000	£ 000	£ 000	£ 000
Academy's educational operations					
Direct costs	28,586	-	1,554	30,140	28,775
Allocated support costs	14,285	4,931	5,329	24,545	23,971
Expenses relating to the teaching school activities	22	-	15	37	28
	<u>42,893</u>	<u>4,931</u>	<u>6,898</u>	<u>54,722</u>	<u>52,774</u>

	Non Pay Expenditure			Total
	Staff costs	Premises	Other costs	2020
	£ 000	£ 000	£ 000	£ 000
Total 2020	<u>40,252</u>	<u>4,780</u>	<u>7,742</u>	<u>52,774</u>

Net income/(expenditure) for the year includes:

	2021	2020
	£ 000	£ 000
Operating lease rentals	77	111
Depreciation	619	529
Fees payable to auditor - audit	18	18
Fees payable to auditor - other audit services	<u>3</u>	<u>3</u>

7 Charitable activities

	2021	2020
	£ 000	£ 000
Direct costs - educational operations	30,140	28,775
Support costs - educational operations	<u>24,545</u>	<u>23,971</u>
	<u>54,685</u>	<u>52,746</u>

Nicholas Postgate Catholic Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

7 Charitable activities (continued)

	Educational operations £ 000	Total 2021 £ 000	Total 2020 £ 000
Analysis of support costs			
Support staff costs	14,285	14,285	12,972
Depreciation	619	619	529
Technology costs	499	499	902
Premises costs	4,312	4,312	4,251
Legal costs	837	837	949
Other support costs	3,962	3,962	4,334
Governance costs	31	31	34
Total support costs	24,545	24,545	23,971

8 Staff

Staff costs

	2021 £ 000	2020 £ 000
Staff costs during the year were:		
Wages and salaries	29,502	28,205
Social security costs	2,757	2,613
Operating costs of defined benefit pension schemes	8,909	8,175
	41,168	38,993
Supply staff costs	1,456	1,205
Staff restructuring costs	269	54
	42,893	40,252
	2021 £ 000	2020 £ 000
Staff restructuring costs comprise:		
Redundancy payments	269	54

Staff numbers

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

	2021 No.	2020 No.
Charitable Activities		
Teachers	415	499
Administration and support	628	700
Management	65	30
	1,108	1,229

Nicholas Postgate Catholic Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

8 Staff (continued)

Higher paid staff

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

	2021 No.	2020 No.
£60,001 - £70,000	25	32
£70,001 - £80,000	10	5
£80,001 - £90,000	2	2
£90,001 - £100,000	4	3
£140,001 - £150,000	-	1
£150,001 - £160,000	1	-

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £818,004 (2020 - £687,134).

9 Central services

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

- Human Resources
- Administration support services
- Education support services
- School improvement services
- Financial management support
- Estates management & compliance support
- Governor support services
- Safeguarding & welfare support
- ICT & data support services
- Attendance monitoring and intervention services

The academy trust charges for these services on the following basis:

The Academy Trust charges for these services by retaining up to 5.99% of annual GAG funding. 0.25% of this amount is ring-fenced to provide a Trust wide staff CPD programme.

The actual amounts charged during the year were as follows:

Nicholas Postgate Catholic Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

9 Central services (continued)

	2021/20	2020/19
	£ 000	£ 000
St Bede's Catholic Primary School	39	40
St Paulinus Catholic Primary School	41	42
St Joseph's Catholic Primary School	34	63
Sacred Heart Catholic Secondary School	226	178
St Benedict's Primary Catholic School	74	74
St Gabriel's Catholic Primary School	47	46
St Peter's Catholic College	186	147
St Margaret Clitherows Primary School	65	60
St Mary's Catholic Primary School	45	45
Christ The King Roman Catholic Primary School	68	64
St Therese of Lisieux Catholic Primary School	44	39
St Patrick's Catholic College	167	132
St Patrick's Catholic Primary School	77	75
Corpus Christi Catholic Primary School	58	59
Sacred Heart Catholic Primary School	68	62
St Alphonsus' Catholic Primary School	46	46
St Augustine's Catholic Primary School	43	42
St Bernadette's Catholic Primary School	40	40
St Clare's Catholic Primary School	41	40
St Edward's Catholic Primary School	75	70
St Gerard's Catholic Primary School	38	41
St Joseph's Catholic Primary School	69	33
St Thomas More Catholic Primary School	46	41
Trinity Catholic College	453	358
St Pius X Catholic Primary School	50	47
All Saints Catholic Primary School	21	10
St Hedda's Catholic Primary School	-	-
	<u>2,161</u>	<u>1,894</u>

Nicholas Postgate Catholic Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

10 Related party transactions - trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from 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, and not in respect of their role as trustees. The value of trustees' remuneration and other benefits was as follows:

H M Hegarty (Chief Executive Officer):

Remuneration: £155,000 - £160,000 (2020 - £140,000 - £145,000)

Employer's pension contributions: £25,000 - £30,000 (2020 - £25,000 - £30,000)

During the year ended 31 August 2021, travel and subsistence expenses totalling £131 (2020 - £1,006) were reimbursed or paid directly to 1 trustees (2020 - 1).

Other related party transactions involving the trustees are set out in note 29.

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 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.

12 Intangible fixed assets

	Software £ 000
Cost	
At 1 September 2020	20
At 31 August 2021	20
Amortisation	
At 1 September 2020	20
At 31 August 2021	20
Net book value	
At 31 August 2021	-
At 31 August 2020	-

Nicholas Postgate Catholic Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

13 Tangible fixed assets

	Leasehold land and buildings £ 000	Fixtures & Fittings £ 000	Motor vehicles £ 000	Computer equipment £ 000	Assets under construction £ 000	Total £ 000
Cost						
At 1 September 2020	7,950	1,026	2	1,148	80	10,206
Additions	985	90	-	461	1,245	2,781
Inherited assets	55	-	-	5	-	60
At 31 August 2021	8,990	1,116	2	1,614	1,325	13,047
Depreciation						
At 1 September 2020	313	503	2	620	-	1,438
Charge for the year	125	221	-	273	-	619
At 31 August 2021	438	724	2	893	-	2,057
Net book value						
At 31 August 2021	8,552	392	-	721	1,325	10,990
At 31 August 2020	7,637	523	-	528	80	8,768

The academy trust occupies land (including buildings) which is owned by its trustees who are The Roman Catholic Diocese of Middlesbrough. The trustees are the providers of the academy on the same basis as when the academy was a maintained school. The academy trust occupies the land (and buildings) under a mere licence. This continuing permission of their trustees is pursuant to, and subject to, the trustees' charitable objects, and is part of the Catholic Church's contribution since 1847 to provide State funded education in partnership with the State. The licence delegates aspects of the management of the land (and buildings) to the academy trust for the time being, but does not vest any rights over the land in the academy trust. The trustees have given an undertaking to the Secretary of State that they will not give the academy trust less than two years notice to terminate the occupation of the land (including buildings). Having considered the factual matrix under which the academy trust is occupying the land (and buildings) the trustees have concluded that the value of the land and buildings occupied by the academy trust will not be recognised on the balance sheet of the academy trust.

The academy trust's transactions relating to land and buildings included:

- the acquisition of the freehold on St Hedda's Catholic Primary School, a Catholic Voluntary Academy land & buildings which was donated to the academy trust at a value of £55,049

Nicholas Postgate Catholic Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

14 Stock

	2021 £ 000	2020 £ 000
Stock	3	3

15 Debtors

	2021 £ 000	2020 £ 000
Trade debtors	30	26
VAT recoverable	1,044	592
Other debtors	1	18
Prepayments and accrued income	1,172	1,496
	<u>2,247</u>	<u>2,132</u>

16 Current asset investments

	2021 £ 000	2020 £ 000
Fixed term deposits	3,000	5,000

17 Creditors: amounts falling due within one year

	2021 £ 000	2020 £ 000
Trade creditors	1,540	1,149
Other taxation and social security	687	627
Loans	37	31
Other creditors	8	-
Accruals	794	1,122
Deferred income	1,225	827
Pension scheme creditor	707	684
	<u>4,998</u>	<u>4,440</u>

Nicholas Postgate Catholic Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

17 Creditors: amounts falling due within one year (continued)

	2021 £ 000	2020 £ 000
Deferred income		
Deferred income at 1 September 2020	827	725
Resources deferred in the period	1,225	827
Amounts released from previous periods	(827)	(725)
Deferred income at 31 August 2021	<u>1,225</u>	<u>827</u>

At the balance sheet date the Trust was holding funds received in advance in respect of Local Authority Top Up fees, Universal Infant Free School Meals income, sports premium income and school trips.

18 Creditors: amounts falling due after one year

	2021 £ 000	2020 £ 000
Other loans	<u>168</u>	<u>217</u>

Included within creditors: amounts falling due in more than one year is £80,869 (2020 - £91,367) of creditors due more than five years, repayable by instalments.

Loans of £36,750 from Middlesbrough Diocese which is provided on the following terms: Loan from Diocese (St Paulinus Catholic Primary School) - interest free loan repayments in 6-monthly instalments of £6,125.

Loans of £86,789 from Middlesbrough Diocese which is provided on the following terms: Loan from Diocese (St Clare's RC Primary School) - interest free loan repayments in 6-monthly instalments of £5,000.

Loans of £49,080 from Middlesbrough Diocese which is provided on the following terms: Loan from Diocese (St Therese of Lisieux Catholic Primary School) - interest free loan payments in 6-monthly instalments of £2,500.

Loans of £32,026 from Middlesbrough Diocese which is provided on the following terms: Loan from Diocese (Christ the King Roman Catholic Primary School) - interest free loan repayments in 6-monthly instalments of £4,568.

Loans of £5,306 from Middlesbrough Diocese which is provided on the following terms: Loan from Diocese (All Saints Primary School) - interest free loan repayments in 6-monthly instalments of £2,500

Nicholas Postgate Catholic Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

19 Funds

	Balance at 1 September 2020 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2021 £ 000
Restricted general funds					
General Annual Grant (GAG)	-	39,433	(39,641)	208	-
Other DfE/ESFA grants	-	6,457	(6,457)	-	-
Other government grants	-	3,097	(3,097)	-	-
COVID-19 grants	-	632	(632)	-	-
	<u>-</u>	<u>49,619</u>	<u>(49,827)</u>	<u>208</u>	<u>-</u>
Restricted fixed asset funds					
DfE/ESFA capital grants	3,037	1,398	(619)	785	4,601
Capital expenditure from GAG	169	-	-	-	169
Private sector capital sponsorship	12	-	-	-	12
Inherited on conversion	1,666	-	-	-	1,666
Unrestricted fixed assets	50	-	-	-	50
Big Lottery	15	-	-	-	15
Amounts on conversion	<u>5,559</u>	<u>60</u>	<u>-</u>	<u>-</u>	<u>5,619</u>
	10,508	1,458	(619)	785	12,132
Restricted pension funds					
Pension reserve	<u>(22,795)</u>	<u>(50)</u>	<u>(3,124)</u>	<u>1,582</u>	<u>(24,387)</u>
Total restricted funds	<u>(12,287)</u>	<u>51,027</u>	<u>(53,570)</u>	<u>2,575</u>	<u>(12,255)</u>
Unrestricted funds					
General fund	5,166	2,194	(1,115)	(993)	5,252
Private school fund	7	-	-	-	7
Teaching alliance	70	40	(37)	-	73
PFI reserve	<u>19</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19</u>
Total unrestricted funds	<u>5,262</u>	<u>2,234</u>	<u>(1,152)</u>	<u>(993)</u>	<u>5,351</u>
Total funds	<u>(7,025)</u>	<u>53,261</u>	<u>(54,722)</u>	<u>1,582</u>	<u>(6,904)</u>

Nicholas Postgate Catholic Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

19 Funds (continued)

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

	Balance at 1 September 2019 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2020 £ 000
Restricted general funds					
General Annual Grant (GAG)	-	38,414	(39,495)	1,081	-
National College for Teaching and Leadership	4	-	(4)	-	-
Other DfE/ESFA grants	-	6,443	(6,443)	-	-
Other government grants	-	2,637	(2,637)	-	-
	<u>4</u>	<u>47,494</u>	<u>(48,579)</u>	<u>1,081</u>	<u>-</u>
Restricted fixed asset funds					
DfE/ESFA capital grants	2,006	1,419	(529)	141	3,037
Capital expenditure from GAG	169	-	-	-	169
Private sector capital sponsorship	12	-	-	-	12
Inherited on conversion	1,666	-	-	-	1,666
Unrestricted fixed assets	50	-	-	-	50
Big Lottery	15	-	-	-	15
Amounts on conversion	<u>5,559</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,559</u>
	<u>9,477</u>	<u>1,419</u>	<u>(529)</u>	<u>141</u>	<u>10,508</u>
Restricted pension funds					
Pension reserve	<u>(14,478)</u>	<u>-</u>	<u>(2,433)</u>	<u>(5,884)</u>	<u>(22,795)</u>
Total restricted funds	<u>(4,997)</u>	<u>48,913</u>	<u>(51,541)</u>	<u>(4,662)</u>	<u>(12,287)</u>
Unrestricted funds					
General fund	4,719	2,762	(1,205)	(1,110)	5,166
Private school fund	77	-	-	(70)	7
Teaching alliance	95	45	(28)	(42)	70
PFI reserve	<u>19</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19</u>
Total unrestricted funds	<u>4,910</u>	<u>2,807</u>	<u>(1,233)</u>	<u>(1,222)</u>	<u>5,262</u>
Total funds	<u>(87)</u>	<u>51,720</u>	<u>(52,774)</u>	<u>(5,884)</u>	<u>(7,025)</u>

Nicholas Postgate Catholic Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

19 Funds (continued)

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

The General Annual Grant (GAG) must be used for the normal running of the Academy Trust including salaries and related costs, overheads, repairs and maintenance, and insurance.

NCTL Teaching School funding is restricted grants received from the National College for Leadership and Teaching.

Other DfE/ESFA grants relates to pupil premium, universal infant free school meals, rates relief and PE sports grant.

SEN funding is funding to provide additional support to qualifying pupils. Other Government grants relates to early years funding, two year old income and SEN received from the council.

Other grant income related to conversion monies which have been received from the other academy trusts which joined the new Multi Academy Trust on 1 September 2018. This income is to be spent on the costs of conversion, of which a significant amount was incurred in the current period.

The pension reserves is the liability due to the deficit on the Local Government Pension Scheme. Further details are shown in note 26.

The restricted fixed asset funds represent monies received to purchase fixed assets. Depreciation is charged against each fund over the useful economic life of the associated assets.

Unrestricted funds includes income from trips, catering, before and after school club, teaching alliance and other income. Relevant costs have been allocated accordingly.

Transfers represent monies transferred from revenue to fund the purchase of fixed assets and to cover loan repayments in the year.

The costs and income associated with the defined benefit pension scheme have been recorded in the restricted fund. Staff costs are paid from this fund, including contributions to LGPS, and the pension liability has therefore been aligned with these funds.

The restricted funds are in deficit as a result of the deficit on the LGPS pension scheme alone.

Nicholas Postgate Catholic Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

19 Funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

	2021 £ 000	2020 £ 000
St Bede's Catholic Primary School	1	1
St Paulinus Catholic Primary School	1	1
St Joseph's Catholic Primary School	1	1
Sacred Heart Catholic Secondary School	1	1
St Benedict's Primary Catholic School	1	1
St Gabriel's Catholic Primary School	1	1
St Peter's Catholic College	1	1
St Margaret Clitherows Primary School	1	1
St Mary's Catholic Primary School	1	1
Christ The King Roman Catholic Primary School	1	1
St Therese of Lisieux Catholic Primary School	1	1
St Patrick's Catholic College	1	1
St Patrick's Catholic Primary School	1	1
Corpus Christi Catholic Primary School	1	1
Sacred Heart Catholic Primary School	1	1
St Alphonsus' Catholic Primary School	1	1
St Augustine's Catholic Primary School	1	1
St Bernadette's Catholic Primary School	1	1
St Clare's Catholic Primary School	1	1
St Edward's Catholic Primary School	1	1
St Gerard's Catholic Primary School	1	1
St Joseph's Catholic Primary School	1	1
St Thomas More Catholic Primary School	1	1
Trinity Catholic College	1	1
St Pius X Catholic Primary School	1	1
All Saints Catholic Primary School	1	1
St Hedda's Catholic Primary School	1	-
Teaching School	73	70
Total before fixed assets and pension reserve	5,351	5,262
Fixed asset reserve	12,132	10,508
Pension reserve	(24,387)	(22,795)
Total	(6,904)	(7,025)

Total cost analysis by academy

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

Nicholas Postgate Catholic Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

19 Funds (continued)

	Teaching and Educational Support Staff Costs £ 000	Other Support Staff Costs £ 000	Educational Supplies £ 000	Other Costs (excluding Depreciation) £ 000	Total 2021 £ 000
St Bede's Catholic Primary School	477	252	24	160	913
St Paulinus Catholic Primary School	584	245	30	201	1,060
St Joseph's Catholic Primary School	400	260	31	172	863
Sacred Heart Catholic Secondary School	2,755	811	132	1,138	4,836
St Benedict's Primary Catholic School	1,149	354	29	521	2,053
St Gabriel's Catholic Primary School	652	262	86	233	1,233
St Peter's Catholic College	1,958	708	110	586	3,362
St Margaret Clitherows Primary School	1,012	381	51	266	1,710
St Mary's Catholic Primary School	726	217	44	211	1,198
Christ The King Roman Catholic Primary School	958	373	45	248	1,624
St Therese of Lisieux Catholic Primary School	585	276	33	186	1,080
St Patrick's Catholic College	1,793	878	64	491	3,226
St Patrick's Catholic Primary School	1,081	517	59	279	1,936
Corpus Christi Catholic Primary School	812	332	86	225	1,455
Sacred Heart Catholic Primary School	965	321	32	253	1,571
St Alphonsus' Catholic Primary School	556	279	37	197	1,069
St Augustine's Catholic Primary School	574	188	36	219	1,017
St Bernadette's Catholic Primary School	560	199	39	176	974

Nicholas Postgate Catholic Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

19 Funds (continued)

	Teaching and Educational Support Staff Costs £ 000	Other Support Staff Costs £ 000	Educational Supplies £ 000	Other Costs (excluding Depreciation) £ 000	Total 2021 £ 000
St Clare's Catholic Primary School	561	199	59	213	1,032
St Edward's Catholic Primary School	1,020	363	42	270	1,695
St Gerard's Catholic Primary School	570	234	35	173	1,012
St Joseph's Catholic Primary School	1,015	333	57	214	1,619
St Thomas More Catholic Primary School	599	277	43	179	1,098
Trinity Catholic College	5,104	1,180	429	1,732	8,445
St Pius X Catholic Primary School	627	201	49	263	1,140
All Saints Catholic Primary School	194	155	20	116	485
Teaching School	931	4,636	182	307	6,056
St Hedda's Catholic Primary School	145	99	5	92	341
Academy Trust	<u>28,363</u>	<u>14,530</u>	<u>1,889</u>	<u>9,321</u>	<u>54,103</u>

Nicholas Postgate Catholic Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

19 Funds (continued)

	Teaching and Educational Support Staff Costs £ 000	Other Support Staff Costs £ 000	Educational Supplies £ 000	Other Costs (excluding Depreciation) £ 000	Total 2020 £ 000
St Bede's Catholic Primary School	517	294	22	143	976
St Paulinus Catholic Primary School	568	306	38	200	1,112
St Joseph's Catholic Primary School	975	386	72	184	1,617
Sacred Heart Catholic Secondary School	2,625	910	146	1,140	4,821
St Benedict's Primary Catholic School	1,142	387	39	538	2,106
St Gabriel's Catholic Primary School	616	293	60	237	1,206
St Peter's Catholic College	1,827	908	180	548	3,463
St Margaret Clitherows Primary School	1,037	354	71	258	1,720
St Mary's Catholic Primary School	683	299	45	181	1,208
Christ The King Roman Catholic Primary School	910	321	68	286	1,585
St Therese of Lisieux Catholic Primary School	588	326	44	196	1,154
St Patrick's Catholic College	1,694	994	221	493	3,402
St Patrick's Catholic Primary School	1,025	540	77	352	1,994
Corpus Christi Catholic Primary School	732	364	85	226	1,407
Sacred Heart Catholic Primary School	975	309	34	222	1,540
St Alphonsus' Catholic Primary School	532	303	53	181	1,069
St Augustine's Catholic Primary School	550	236	33	197	1,016
St Bernadette's Catholic Primary School	524	293	39	162	1,018

Nicholas Postgate Catholic Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

19 Funds (continued)

	Teaching and Educational Support Staff Costs £ 000	Other Support Staff Costs £ 000	Educational Supplies £ 000	Other Costs (excluding Depreciation) £ 000	Total 2020 £ 000
St Clare's Catholic Primary School	509	252	56	198	1,015
St Edward's Catholic Primary School	935	458	47	261	1,701
St Gerard's Catholic Primary School	563	268	28	159	1,018
St Joseph's Catholic Primary School	405	293	25	158	881
St Thomas More Catholic Primary School	498	276	47	152	973
Trinity Catholic College	5,118	1,592	655	1,562	8,927
St Pius X Catholic Primary School	563	307	52	228	1,150
All Saints Catholic Primary School	174	140	28	96	438
Teaching School	815	1,743	153	1,025	3,736
Academy Trust	<u>27,100</u>	<u>13,152</u>	<u>2,418</u>	<u>9,583</u>	<u>52,253</u>

Nicholas Postgate Catholic Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

20 Analysis of net assets between funds

Fund balances at 31 August 2021 are represented by:

	Unrestricted funds £ 000	Restricted general funds £ 000	Restricted fixed asset funds £ 000	Total funds £ 000
Tangible fixed assets	-	-	10,990	10,990
Current assets	5,351	5,166	1,142	11,659
Current liabilities	-	(4,998)	-	(4,998)
Creditors over 1 year	-	(168)	-	(168)
Pension scheme liability	-	(24,387)	-	(24,387)
Total net assets	<u>5,351</u>	<u>(24,387)</u>	<u>12,132</u>	<u>(6,904)</u>

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

	Unrestricted funds £ 000	Restricted general funds £ 000	Restricted fixed asset funds £ 000	Total funds £ 000
Tangible fixed assets	-	-	8,768	8,768
Current assets	5,262	4,657	1,740	11,659
Current liabilities	-	(4,440)	-	(4,440)
Creditors over 1 year	-	(217)	-	(217)
Pension scheme liability	-	(22,795)	-	(22,795)
Total net assets	<u>5,262</u>	<u>(22,795)</u>	<u>10,508</u>	<u>(7,025)</u>

21 Long-term commitments, including operating leases

Operating leases

At 31 August 2021 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2021 £ 000	2020 £ 000
Amounts due within one year	72	52
Amounts due between one and five years	<u>66</u>	<u>27</u>
	<u>138</u>	<u>79</u>

The Academy Trust occupies premises which are subject to a private finance initiative (PFI) contract. The Academy Trust is itself not party to this service concession contract, however the Academy Trust has entered into a supporting agreement to make contributions towards the costs. The commitment covers the same period as the PFI agreement of 13 years. The current year cost was £1,133,364 and it is expected that future annual commitments will be at a similar level.

Nicholas Postgate Catholic Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

22 Reconciliation of net expenditure to net cash inflow/(outflow) from operating activities

		2021	2020
		£ 000	£ 000
Net expenditure		(1,461)	(1,054)
Depreciation	6	619	529
Capital grants from DfE and other capital income		(1,398)	(1,419)
Assets transferred on conversion from Local Authority		(60)	-
Interest receivable	5	(32)	(13)
Defined benefit pension scheme obligation inherited	28	50	-
Defined benefit pension scheme cost less contributions payable	28	2,749	2,171
Defined benefit pension scheme finance cost	28	375	261
Increase in debtors		(115)	(295)
Increase in creditors		552	913
Net cash provided by Operating Activities		<u>1,279</u>	<u>1,093</u>

23 Cash flows from financing activities

	2021	2020
	£ 000	£ 000
Repayments of borrowing	<u>(43)</u>	<u>(59)</u>
Net cash used in financing activities	<u>(43)</u>	<u>(59)</u>

24 Cash flows from investing activities

	2021	2020
	£ 000	£ 000
Dividends, interest and rents from investments	32	13
Purchase of tangible fixed assets	(2,781)	(1,080)
(Increase)/decrease in fixed term deposits	2,000	(4,000)
Capital funding received from sponsors and others	<u>1,398</u>	<u>1,419</u>
Net cash provided by/(used in) investing activities	<u>649</u>	<u>(3,648)</u>

25 Analysis of cash and cash equivalents

	2021	2020
	£ 000	£ 000
Cash at bank and in hand	<u>6,409</u>	<u>4,524</u>
Total cash and cash equivalents	<u>6,409</u>	<u>4,524</u>

Nicholas Postgate Catholic Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

26 Analysis of changes in net debt

	At 1 September 2020 £000	Cash flows £000	At 31 August 2021 £000
Cash	4,524	(115)	4,409
Loans falling due within one year	(31)	(6)	(37)
Loans falling due after more than one year	(217)	49	(168)
Total	<u>4,276</u>	<u>(72)</u>	<u>4,204</u>

27 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.

28 Pension and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by a number of managers as disclosed below. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £707,402 (2020 - £683,752) were payable to the schemes at 31 August 2021 and are included within creditors.

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 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.

Nicholas Postgate Catholic Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

28 Pension and similar obligations (continued)

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £3,488,251 (2020: £3,376,200).

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 academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

Local government pension schemes

Teeside Pension Fund

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £2,103,000 (2020 - £2,011,000), of which employer's contributions totalled £1,569,000 (2020 - £1,506,000) and employees' contributions totalled £534,000 (2020 - £505,000). The agreed contribution rates for future years are 14.6 per cent for employers and 5.5 - 12.5 per cent for employees. The scheme is managed by Middlesbrough Borough Council.

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

Principal actuarial assumptions

	2021	2020
	%	%
Rate of increase in salaries	3.60	3.30
Rate of increase for pensions in payment/inflation	2.60	2.30
Discount rate for scheme liabilities	1.70	1.70
Inflation assumptions (CPI)	2.60	2.30
RPI increases	<u>2.60</u>	<u>2.30</u>

Nicholas Postgate Catholic Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

28 Pension and similar obligations (continued)

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

	2021	2020
Retiring today		
Males retiring today	21.90	21.80
Females retiring today	23.60	23.50
Retiring in 20 years		
Males retiring in 20 years	23.30	23.20
Females retiring in 20 years	<u>25.40</u>	<u>25.30</u>
Sensitivity analysis		
	At 31 August 2021	At 31 August 2020
	£000	£000
Discount rate +0.1%	56,547	47,942
Discount rate -0.1%	59,447	50,400
Mortality assumption – 1 year increase	55,793	47,401
Mortality assumption – 1 year decrease	60,201	50,990
CPI rate +0.1%	58,229	49,368
CPI rate -0.1%	<u>57,765</u>	<u>48,974</u>

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

	2021	2020
	£ 000	£ 000
Equities	26,737	20,114
Property	2,468	2,117
Cash and other liquid assets	2,806	3,070
Other	<u>1,792</u>	<u>1,165</u>
Total market value of assets	<u>33,803</u>	<u>26,466</u>

The actual return on scheme assets was £5,812,000 (2020 - £3,300,000).

Amounts recognised in the statement of financial activities

	2021	2020
	£ 000	£ 000
Current service cost	4,280	3,653
Interest income	(463)	(425)
Interest cost	<u>836</u>	<u>685</u>
Total amount recognised in the SOFA	<u>4,653</u>	<u>3,913</u>

Nicholas Postgate Catholic Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

28 Pension and similar obligations (continued)

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

	2021 £ 000	2020 £ 000
At start of period	49,171	35,950
Current service cost	4,280	3,653
Interest cost	836	685
Employee contributions	534	505
Actuarial (gain)/loss	3,754	8,746
Benefits paid	(578)	(368)
At 31 August	<u>57,997</u>	<u>49,171</u>

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

	2021 £ 000	2020 £ 000
At start of period	26,466	21,523
Interest income	463	425
Actuarial gain/(loss)	5,349	2,875
Employer contributions	1,569	1,506
Employee contributions	534	505
Benefits paid	(578)	(368)
At 31 August	<u>33,803</u>	<u>26,466</u>

North Yorkshire Pension Fund

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £30,000 (2020 - £21,000), of which employer's contributions totalled £23,000 (2020 - £16,000) and employees' contributions totalled £7,000 (2020 - £5,000). The agreed contribution rates for future years are 19 per cent for employers and 5.5 - 12.5 per cent for employees. The scheme is managed by North Yorkshire County Council.

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

Nicholas Postgate Catholic Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

28 Pension and similar obligations (continued)

Principal actuarial assumptions

	2021	2020
	%	%
Rate of increase in salaries	3.90	3.50
Rate of increase for pensions in payment/inflation	2.60	2.20
Discount rate for scheme liabilities	1.70	1.70
Inflation assumptions (CPI)	2.60	2.20
RPI increases	<u>2.60</u>	<u>2.20</u>

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

	2021	2020
Retiring today		
Males retiring today	21.90	21.80
Females retiring today	24.00	23.90
Retiring in 20 years		
Males retiring in 20 years	23.60	23.50
Females retiring in 20 years	<u>25.80</u>	<u>25.70</u>

Sensitivity analysis

	At 31 August 2021	At 31 August 2020
	£000	£000
Discount rate +0.1%	402	168
Discount rate -0.1%	426	178
Mortality assumption – 1 year increase	399	167
Mortality assumption – 1 year decrease	430	179
CPI rate +0.1%	417	174
CPI rate -0.1%	<u>411</u>	<u>172</u>

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

	2021	2020
	£ 000	£ 000
Equities	133	48
Corporate bonds	9	-
Government bonds	32	17
Property	13	6
Cash and other liquid assets	4	3
Other	<u>30</u>	<u>9</u>
Total market value of assets	<u>221</u>	<u>83</u>

The actual return on scheme assets was £31,000 (2020 - £6,000).

Nicholas Postgate Catholic Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

28 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	2021 £ 000	2020 £ 000
Current service cost	61	40
Interest income	(3)	(1)
Interest cost	5	2
Total amount recognised in the SOFA	<u>63</u>	<u>41</u>

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

	2021 £ 000	2020 £ 000
At start of period	173	106
Conversion of academy trusts	128	-
Current service cost	61	40
Interest cost	5	2
Employee contributions	7	5
Actuarial (gain)/loss	41	20
Benefits paid	(1)	-
At 31 August	<u>414</u>	<u>173</u>

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

	2021 £ 000	2020 £ 000
At start of period	83	55
Conversion of academy trusts	78	-
Interest income	3	1
Actuarial gain/(loss)	28	5
Employer contributions	23	16
Employee contributions	7	5
Benefits paid	(1)	1
At 31 August	<u>221</u>	<u>83</u>

29 Related party transactions

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

There were no related party transactions in the year, other than certain trustees' remuneration and expenses already disclosed in note 10.

Nicholas Postgate Catholic Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

30 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2021 the academy trust received £20,343 and disbursed £2,373 from the fund. An amount of £Nil is included in other creditors relating to undistributed funds that is repayable to ESFA.

Comparatives for the accounting period ending 31 August 2020 are £20,286 received, £7,381 disbursed and £Nil included in other creditors.

31 Teaching school trading account

	2021 £ 000	2020 £ 000
Income		
Direct Income		
Other income	40	45
Total Income	40	45
Expenditure		
Direct costs		
Direct staff costs	(22)	(21)
Other direct costs	(15)	(7)
Total direct costs	(37)	(28)
Total Expenditure	(37)	(28)
Transfers between funds excluding depreciation	-	(42)
Surplus/(Deficit) from all sources	3	(25)
Teaching school balances at 1 September 2020	70	95
Teaching school balances at 31 August 2021	73	70

32 Conversion to an Academy Trust

On 1 September 2020 the St Hedda's RC Primary School converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Nicholas Postgate Catholic Academy Trust from the North Yorkshire County Council Local Authority for £Nil consideration.

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

Nicholas Postgate Catholic Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

32 Conversion to an Academy Trust (continued)

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

	Unrestricted fund £ 000	Restricted general fund £ 000	Restricted fixed asset fund £ 000	Total £ 000
Tangible fixed assets				
Leasehold land and buildings	-	-	55	55
Other tangible fixed assets	-	-	5	5
Budget surplus on LA funds	37	-	-	37
LGPS pension deficit	-	(50)	-	(50)
Net assets/(liabilities)	<u>37</u>	<u>(50)</u>	<u>60</u>	<u>47</u>

The above net assets include £34,668 that were transferred as cash.