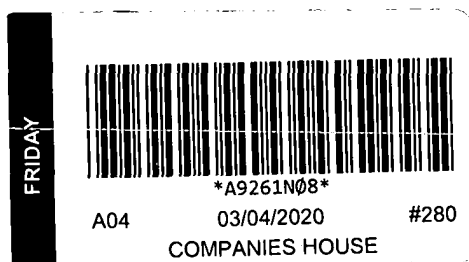


Company Registration Number: 09660515 (England & Wales)

ST ALBAN CATHOLIC ACADEMIES TRUST
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2019



ST ALBAN CATHOLIC ACADEMIES TRUST
(A Company Limited by Guarantee)

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ST ALBAN CATHOLIC ACADEMIES TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	The Bishop of Northampton Duns Scotus Trust St Bonaventure Trust Pauline Cotton
Trustees	Mrs Madge Chenery, Chair of Trustees (resigned 10 July 2019) ¹ Ms Collette Donoghue ¹ Mr Joseph Richardson, Head Teacher and Accounting Officer ¹ Ms Karen Sutton Mrs Helen Wells ¹ Ms Catherine Davies, Chair of Trustees (from 11 July 2019) ¹ Father T Brennan ¹ Finance Committee
Company registered number	09660515
Company name	St Alban Catholic Academies Trust
Principal and registered office	Cardinal Newman Catholic Secondary School Warden Hill Road Luton LU2 7AE
Trust secretary	Ms Francesca Crowther
Chief executive officer	Mr Joeseph Richardson
Senior management team	Mr Joseph Richardson, Headteacher, Cardinal Newman Catholic School Mrs Nicola Morgan, Headteacher, St Martin de Porres Catholic Primary School Mrs Gabrielle Somes, Headteacher, St Margaret of Scotland Catholic Primary School Mrs Karen Armstrong, Headteacher (interim), St Vincent's Catholic Primary School Mr Steve Chiswell, Headteacher, St Mary's Catholic Primary School Mrs Sue Meader, Chief Finance Officer, St Alban Catholic Academies Trust
Independent auditors	Streets Audit LLP Chartered Accountants Potton House Wyboston Lakes Great North Road Bedford MK44 3BZ
Bankers	National Westminster Bank PLC 31 George Street Luton LU1 2YN

ST ALBAN CATHOLIC ACADEMIES TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2019

Solicitors	Winkworth Sherwood Minerva House 5 Montague Close London SE1 9BB
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ST ALBAN CATHOLIC ACADEMIES TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 AUGUST 2019

Trustees' Report

The Trustees present their annual report together with the financial statements and auditors report of the charitable company for the year ended 31 August 2019. The annual report serves the purposes of the both a Trustees' report, and a directors' report under company law.

The Trust operates one secondary and four primary schools within the Diocese of Northampton in the South East of England. The Trust has a combined pupil capacity of 3210 and had a roll of 3050 in the school census October 2018.

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 St Alban Catholic Academies Trustees are also directors of the charitable company for the purposes of company law, the charitable company is known as St Alban Catholic Academies Trust.

Details of the Trustees who served during the year are included in section 1 of the report (Administrative Details).

Members' Liability

Every member of the Company undertakes to contribute such an amount as maybe required (not exceeding £10) to the Company's Assets if it should be wound up while they are a member or within one year after they cease to be a member, for payment of the company's debts and liabilities and the costs, charges and expenses of winding up and for adjustment of the rights of the contributories among themselves.

Trustees Indemnities

In accordance with normal commercial practice the Trust has purchased the Risk Protection Assurance from the ESFA and additional insurance cover any gaps relating to motor vehicle insurance, overseas travel insurance - RPA only covers travel in the UK and engineering inspection and insurance from Zurich Municipal.

Method and Recruitment of Directors

The Diocesan Bishop shall appoint such a number of Foundation Directors as shall ensure that at all times the number of Foundation Directors exceeds other directors (including Co-opted directors) by at least two. Subject to Article 50 the Directors may appoint Directors through such a process as they may determine including the appointment any Directors and a Chief Executive Officer, who are employees of the Company but will ensure the total number of does not exceed one third of the total number of Directors.

Policies and Procedures for the Induction and Training of Trustees

The training and induction provided to new Directors will depend on their existing experience. Where necessary induction will provide training on charity and educational level financial matters. All Directors will be given a tour of the schools within the Trust and the chance to meet staff and pupils. The trust will ensure that any new Directors will be provided with copies of all policies, procedures, minutes and financial statements, budgets and other documents they will need to support their role as a Director.

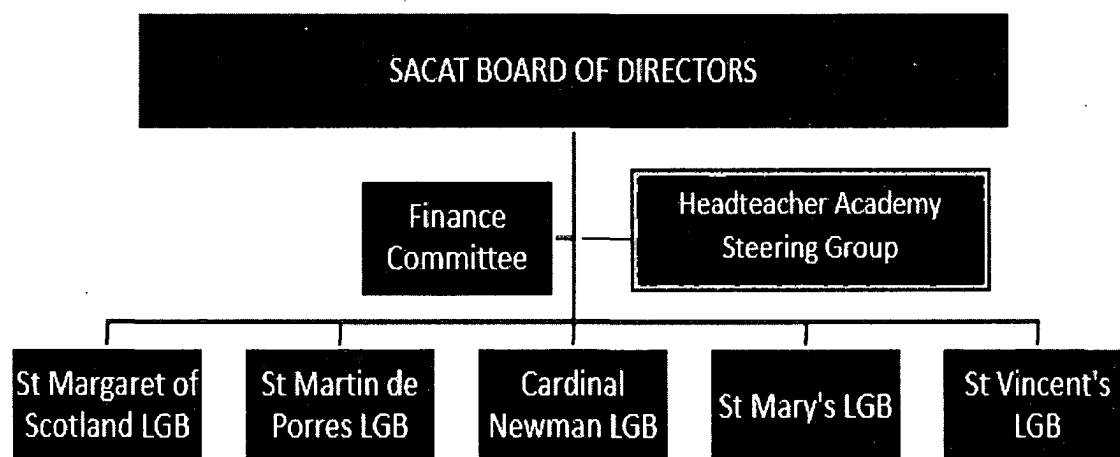
ST ALBAN CATHOLIC ACADEMIES TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2019

Organisational Structure

St Alban Catholic Academies Trust (SACAT)

Governance structure and arrangements



Each Local Governing Body follows the same structure with respect to reporting performance:

- Student outcomes, teaching and learning
- Behaviour, welfare and Catholic life
- Resources and staffing

ST ALBAN CATHOLIC ACADEMIES TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2019

Roles and Responsibilities

Members	<ul style="list-style-type: none">• To appoint/remove Directors• To sign off financial statements and annual report• To change the Articles
Board of Directors	<ul style="list-style-type: none">• To ensure the quality of Catholic Education• To ensure quality of educational standards across the curriculum• To challenge and monitor performance• To manage finances and property• To manage the HT• To exercise reasonable skill and care in carrying out their duties• To ensure compliance with charity and company law• To ensure operation in accordance with Funding Agreement
Finance Committee	<ul style="list-style-type: none">• To provide financial oversight including Budget Setting and monitoring
Local Governing Bodies	<ul style="list-style-type: none">• To support the vision of SACAT• To provide a monitoring role for each school• To have oversight of the individual schools budget• To govern admissions and exclusions• To monitor and be accountable for standards• To act as a critical friend to the Headteacher• To represent the views of the community
Accounting Officer	<ul style="list-style-type: none">• Appropriate oversight of financial transactions• Regularity and propriety• Prudent and economical administration• Value for money through efficient, effective and economic use of available resources• Preparation of the statement on governance in the annual report
Chief Finance Officer	<ul style="list-style-type: none">• To prepare the annual accounts• To prepare and monitor the budget• To provide technical advice• To liaise with SBMs• To liaise with auditors

Arrangements for Pay and Remuneration of Key Personnel

The Trust has Appraisal policies for both Teaching and Support Staff in addition to the Pay Policy. The final approval of pay awards is agreed by the Board of Directors.

Trade union facility time

The trust has no trade union representatives for the year.

ST ALBAN CATHOLIC ACADEMIES TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2019

Related Parties and other Connected Charities and Organisations

These include Duns Scotus Trust. The Trust has PTA's (or equivalent) which give donations to the schools.

Objectives, Strategies and Activities

The St Alban Catholic Academies Trust (SACAT) consists of St Margaret of Scotland Catholic Primary School, St Martin de Porres Catholic Primary School, St Mary's Catholic Primary School, St Vincent's Catholic Primary School and Cardinal Newman Catholic High School. The schools are located across Luton, Dunstable and Houghton Regis in the county of Bedfordshire. The Trust was formed in 2015 in order to formalise the work of the Partnership of Catholic Schools in Luton and Dunstable and strengthen the future of Catholic Education. We are committed to obtaining the very highest standards of achievement through excellent teaching and by focusing on the development of the whole child; spiritually, morally, socially and culturally as well as academically.

Mission statement, expectations and standards

'Working to achieve infinitely more than we can dream or imagine'

- Our Commitment to God: Our schools are entrusted to bring children closer to God, allowing each person to become more than they could ever dream or imagine: '...water seeds already planted knowing that they hold future promise' (Bishop Ken Untener)
- Our Commitment to High Standards: Our schools constantly strive for excellence in Catholic education driven by strong leadership. The constructive challenge and support of our partnership promotes schools of academic excellence where each child can achieve their very best: 'The glory of God is each person fully alive' (St Irenaeus)
- Our Commitment to Community: Our schools work closely with parents, parishes and the wider community fostering confident children who make a distinctive contribution to society: 'Let us protect with love all that God has given us.' (Pope Francis, Inauguration Homily, 2013)
- Our Commitment to Staff: Our schools value every member of staff, trusting and encouraging them to live a life of true vocation and service: 'Educating isn't a profession, but an attitude, a way of being ... you must go out of yourselves and be amidst the young ... standing beside them.' (Pope Francis, June 2013)
- Our schools retain their individual character and autonomy but the structure of the Trust ensures that the commitment for high standards and excellence extends to all pupils. It also allows for shared expertise in financial management, staff training, facilities management and high quality leadership.

ST ALBAN CATHOLIC ACADEMIES TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2019

As a Trust we ensure that:

- There is a high quality Professional Development programme across the Trust for staff at all levels
- A first class School Improvement Team works across the schools, including the development of Local and Specialist Leaders of Education
- There is a commitment to maximising value for money through efficiency savings, joint procurement and some centralised administrative services as the Trust grows. This will help us to function efficiently in times of austerity
- There is high quality governance focused on strategic direction, development of excellence in teaching and learning, decision making and accountability
- We create exciting opportunities for pupils to network across the Trust.
- We provide the security of working closely together in collaboration while maintaining the autonomy of voluntary Catholic academies

Public Benefit

The Directors confirm, that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when undertaking the review of its objectives, aims and future planned activities for the year. The Directors are satisfied that, with the notable exception of the theft brought to the attention of the Accounting Officer in June 2018, the Trust and school aims have been fully discharged for the public benefit.

Strategic Report

Achievements and performance

The profile of the schools under Section 5 (OFSTED) and Section 48 (Diocesan Inspection) remains unaltered this academic year:

- Cardinal Newman School – Good (Section 5); Outstanding (Section 48): The school has maintained strong outcomes with a progress 8 score above average and A Level results (ALPS grade 4)
- St Martin de Porres School – Good (Section 5); Outstanding (Section 48): Reading and Maths results both demonstrate strong progress
- St Vincent's Primary School - Good (Section 5); Good (Section 48): Secure progress across Reading and Maths
- St Margaret of Scotland – Good (Section 48); Requires Improvement (Section 5): Key improvements evident through Trust Peer Review now impacting on outcomes
- St Mary's School - Good (Section 48); Requires Improvement (Section 5): Reading, Writing and Maths combined outcomes increased by 25% over last 3 years

Key performance Indicators

The main objectives of the Trust during 2018 - 2019 were to:

1. Further develop and nurture the Catholic life of our schools

The main focus of this work was the nationwide rollout of RE assessment. This was led and quality assured by the RE Trust Leader of Education. At the end of the academic year and again at the start of this year, schools reported increasing confidence in the use and application of assessment procedures as a result of this Trust level support.

ST ALBAN CATHOLIC ACADEMIES TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2019

2. Strengthen governance

As a result of a programme of development across Directors and Trustees, all schools are now supported by Trustees and Directors with specific roles. These roles are clearly defined and supported by visit guidance to ensure support and challenge to our schools is of highest possible standard and governance is maintained as a hallmark of quality.

3. Grow future leaders

A cohort of leaders have undertaken Catholic Leadership training over the course of the year increasing the pool of talent from which our future leaders may be drawn.

4. Increase the reach of Trust wide CPD

Both the Trust Leader of RE and Trust Leader of English have undertaken specific improvement work across the community of schools.

5. Strengthen self-evaluation through a high quality framework of Peer Review

The Trust now has a programme of Peer Review that is integral to the improvement activities across our community of schools. The impact is readily seen across St Mary's and St Vincent's Catholic Schools where progress in standards is rapid, addressing the gaps identified through the Peer Review process.

6. Centralise finance procedures to ensure high quality service and compliance

The Trust now has clearly identified workflows and working domains that more readily meet the challenges of a growing Trust. Internal Control reports demonstrate this rollout has been successful and that processes are significantly improved on 12 months ago with compliance assured.

As a result of the work of the Trust over time, there is confidence that:

- St Mary's School is rapidly improving and is likely to be graded Good by OFSTED
- St Vincent's School has been stabilised by the Trust, the curriculum, teaching and learning are all rapidly improving, and it is more likely now to be graded Good by OFSTED than at the point of joining the Trust
- St Margaret of Scotland continues to make progress in working to secure a Good grading by OFSTED
- Cardinal Newman remains a very good school, with outcomes above average or better in almost all areas
- St Martin de Porres remains a very good school, with outcomes often significantly above average in many areas
- All schools remain in a strong position to retain their Good / Outstanding status through S48

Going Concern

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

Financial Review

Most of the Trust's income is obtained from the ESFA, the use of which is restricted to particular purposes. Any grants or other sources of income are shown in the Statement of Financial Activities.

During the year ended 31 August 2019, the total expenditure of £18,909,367 was in excess of the total income of £17,477,640 resulting in the net expenditure of £1,431,727. The LGPS actuarial loss of £1,378,000 has resulted in a net movement of the funds of £2,809,727.

ST ALBAN CATHOLIC ACADEMIES TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2019

Reserves Policy

The ESFA expect all Multi Academy Trusts to create reserves from their funding. During the early years of operation the Directors acknowledge it will be difficult to achieve a substantial surplus.

The Trustees of the St Alban Catholic Academies Trust have given careful consideration to the level of reserves held by the Trust. The Trust seeks to maintain its commitment to delivering high quality education at the best value for money, within the funding available from the ESFA and other sources.

Therefore the aim of the policy is to carry forward a prudent level of resources designed to meet the long term cyclical needs of renewal and any other unforeseen contingencies, subject to the constraint that the level of the resources does not exceed the level permitted by the ESFA.

- The Trustees expect the Trust/Schools to hold contingency reserves from their annual GAG funding or other income.
- The Trustees require a revenue reserve to be created to fund future expenditure related to the Trusts/Schools strategic long-term aims and developments as identified within its Improvement Plan
- The schools should work towards a level of reserves in their account equivalent of two months of expenditure.
- The CFO/SBM should propose a capital reserve schedule to the Trust identifying the need to replace assets and the related sums required.
- The Trust should agree the value of capital reserves to be created in a year as part of the budget approval process.
- Spend of the capital reserve fund should only occur as agreed budgeted spend which is approved by the Trust as part of the budget process.

This policy will be reviewed annually.

Investment Policy

The trust currently does not operate any investments as a result of the current financial climate and the expected future changes to the education funding formula set out by the ESFA.

Principal Risk and Uncertainties

The Trust and school are committed to managing the risks identified through the Trusts Risk Register. These identified key risk areas are as follows:

- Changes in pupil numbers which would impact on GAG (General Academy Grant) income which would impact on a school financial viability
- Appointment of future Senior Leaders within Catholic Education
- Uncertainty regarding future government funding streams
- The Trust obligation to fund any deficit allocated to its share of the Local Government Pension Fund.
- The recruitment of good to outstanding teachers

Fundraising

The Trust runs its own fundraising events which are organised and run on a voluntary basis by school and parents. These include such events as disco's, movie nights, competitions and sponsor walk. The Trust runs all fundraising events through charity accounts set up within each school. Regular reports for fund raising are circulated to staff and Trustees.

ST ALBAN CATHOLIC ACADEMIES TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2019

Plans for Future Periods

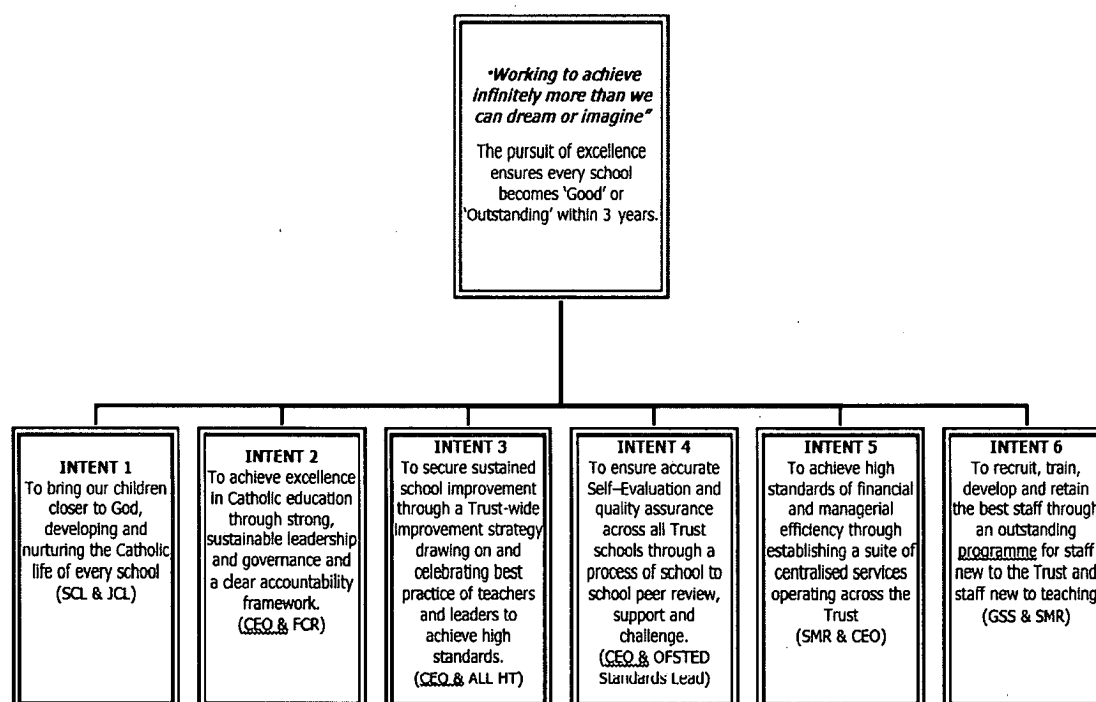
Growth:

The Trust is set to grow on 1st January 2020 from 5 to 8 schools, with further rapid growth anticipated throughout the coming two years. The growth will allow the Trust to realise efficiencies across the partnership of schools and invest these efficiencies in school improvement services. From January 2020, the Trust will become the St Thomas Catholic Academies Trust. This new Trust will be the product of a merger between the St Alban Catholic Academies Trust and the St Peter's Catholic Academies Trust (Slough).

Key actions for 2019-20

- a. To secure further rapid improvement across St Margaret of Scotland, St Vincent's Catholic School and St Mary's Catholic School securing a grading of at least Good in S5 / S8 inspections
- b. Further grow Trust wide CPD, creating Specialist Leaders of Education across the Primary and Secondary Phase through the skills of staff across the expanded Trust
- c. Deliver increased sustainability through growth: complete merger of St Alban Catholic Academies Trust and St Peter's Catholic Academy Trust

Strategic Intentions for next 5 years:



ST ALBAN CATHOLIC ACADEMIES TRUST
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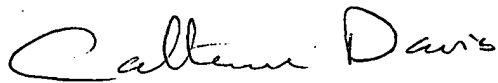
TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2019

Auditor

In so far as the Directors are aware

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

The Trustees' Report, incorporating a strategic report, was approved by order of the board of Trustees, as the company directors, on 18 December 2019 and signed on its behalf by:



Ms Catherine Davies
Chair of Trustees

ST ALBAN CATHOLIC ACADEMIES TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that St Alban Catholic Academies 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 Chief Executive Officer, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between St Alban Catholic Academies 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 4 times during the period. The board used subcommittees and working parties to maintain effective oversight of funds.

Attendance during the period at meetings of the board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mrs Madge Chenery, Chair of Trustees	4	4
Ms Collette Donoghue	4	4
Mr Joseph Richardson, Head Teacher and Accounting Officer	4	4
Ms Karen Sutton	4	4
Mrs Helen Wells	3	4
Ms Catherine Davies, Chair of Trustees (from 11 July 2019)	4	4
Father T Brennan	4	4

The Finance Committee is a sub-committee of the main board of Trustees. Its purpose is to monitor, evaluate and review policy and performance in relation to financial management, comply with the reporting and regularity requirements, receive reports from the internal and external auditors and to prepare the draft budget for the approval by the full board of trustees.

Attendance during the period at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Ms Collette Donoghue	5	5
Mr Joseph Richardson	5	5
Mrs Madge Chenery	5	5
Mrs Helen Wells	4	5
Ms Catherine Davies	5	5
Mrs Pauline Cotton	4	5

ST ALBAN CATHOLIC ACADEMIES TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

As accounting officer, the Chief Executive Officer has responsibility for ensuring that the academy 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 academy's use of its resources has provided good value for money during each academic year, and reports to the board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the academy has delivered improved value for money during the period by:

Regular reviewing the functions of the academy, challenging how and why services are provided and setting targets and performance indicators for improvements

Monitoring outcomes and comparing performance with similar schools / academies and within the academy.

Consulting appropriate stakeholders before major decisions are made.

Promoting fair competition through quotations and tenders to ensure that goods and services are secured to a high standards and quality and in the most economic, efficient and effective way.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in St Alban Catholic Academies Trust for the period 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of Trustees has reviewed the key risks to which the academy 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 ongoing process for identifying, evaluating and managing the academy's significant risks that has been in place for the period 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

ST ALBAN CATHOLIC ACADEMIES TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework

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

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

The board of Trustees has considered the need for a specific internal audit function and has decided to appoint Beverley Dorsett as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy's financial systems.

On a termly basis, the internal auditor reports to the board of Trustees through the audit committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

The internal auditor has delivered their schedule of work as planned, provide details of any material control issues arising as a result of the work undertaken.

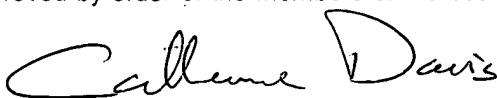
Review of effectiveness

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

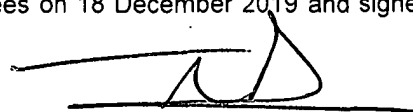
- the work of the internal auditor;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the audit 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 board of Trustees on 18 December 2019 and signed on their behalf by:



Ms Catherine Davies
Chair of Trustees



Mr Joseph Richardson
Accounting Officer

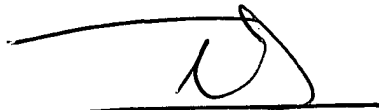
ST ALBAN CATHOLIC ACADEMIES TRUST
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of St Alban Catholic Academies Trust I have considered my responsibility to notify the academy board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy, under the funding agreement in place between the academy 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 2018.

I confirm that I and the academy board of Trustees are able to identify any material irregular or improper use of all funds by the academy, or material non-compliance with the terms and conditions of funding under the academy's funding agreement and the Academies Financial Handbook 2018.

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



Mr Joseph Richardson
Accounting Officer
Date: 18 December 2019

ST ALBAN CATHOLIC ACADEMIES TRUST
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE PERIOD ENDED 31 AUGUST 2019

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 & 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 period. 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:

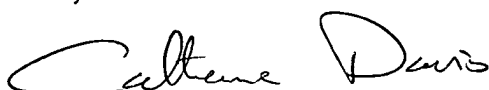
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 of Trustees on 18 December 2019 and signed on its behalf by:



Ms Catherine Davies
Chair of Trustees

ST ALBAN CATHOLIC ACADEMIES TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST
ALBAN CATHOLIC ACADEMIES TRUST**

Opinion

We have audited the financial statements of St Alban Catholic Academies Trust (the 'academy') for the period ended 31 August 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & 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 2019 and of its incoming resources and application of resources, including its income and expenditure for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the academy's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

ST ALBAN CATHOLIC ACADEMIES TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST
ALBAN CATHOLIC ACADEMIES TRUST (CONTINUED)**

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Other information includes the Reference and Administrative Details, the Trustees' Report including the Strategic Report, and the Governance Statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

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 including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

ST ALBAN CATHOLIC ACADEMIES TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST
ALBAN CATHOLIC ACADEMIES TRUST (CONTINUED)**

Responsibilities of trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the 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.

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

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

Use of our report

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



Robert Anderson (Senior Statutory Auditor)

for and on behalf of
Streets Audit LLP
Chartered Accountants
Statutory Auditors
Potton House
Wyboston Lakes
Great North Road
Bedford
MK44 3BZ

Date: 19/12/19

ST ALBAN CATHOLIC ACADEMIES TRUST
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST ALBAN
CATHOLIC ACADEMIES TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 26 September 2017 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St Alban Catholic Academies Trust during the period 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of St Alban Catholic Academies Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of St Alban Catholic Academies Trust's funding agreement with the Secretary of State for Education dated 25 August 2015 and the Academies Financial Handbook, extant from 1 September 2018, 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 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

ST ALBAN CATHOLIC ACADEMIES TRUST
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST ALBAN
CATHOLIC ACADEMIES TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 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's income and expenditure.

The work undertaken to draw our conclusions included:

- Review of the Academy's systems and controls to ensure effective design;
- Confirmation of satisfactory operation of controls during the year, including authorisation of invoices, payments and salary adjustments;
- Review of a sample of expenses focussing on those nominal codes considered to include transactions of a greater risk;
- Review of the reports from internal scrutiny work undertaken during the year;
- Discussions with the finance team.

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the period 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Robert Anderson (Senior Statutory Auditor)

Streets Audit LLP
Potton House
Wyboston Lakes
Great North Road
Bedford
MK44 3BZ

Date: 19 December 2019

ST ALBAN CATHOLIC ACADEMIES TRUST
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE PERIOD ENDED 31 AUGUST 2019**

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from:						
Donations and capital grants	3	-	183,360	833,251	1,016,611	2,230,526
Charitable activities		835,727	15,592,628	-	16,428,355	15,394,485
Other trading activities		32,674	-	-	32,674	27,207
Total income		868,401	15,775,988	833,251	17,477,640	17,652,218
Expenditure on:						
Charitable activities		948,847	15,803,123	2,157,397	18,909,367	17,086,734
Total expenditure		948,847	15,803,123	2,157,397	18,909,367	17,086,734
Net expenditure		(80,446)	(27,135)	(1,324,146)	(1,431,727)	565,484
Transfers between funds	16	-	(505,546)	505,546	-	-
Net movement in funds before other recognised gains/(losses)		(80,446)	(532,681)	(818,600)	(1,431,727)	565,484
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	21	-	(1,378,000)	-	(1,378,000)	789,000
Net movement in funds		(80,446)	(1,910,681)	(818,600)	(2,809,727)	1,354,484

ST ALBAN CATHOLIC ACADEMIES TRUST
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2019

Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Reconciliation of funds:					
Total funds brought forward	868,321	(4,868,298)	1,749,605	(2,250,372)	(3,604,856)
Net movement in funds	(80,446)	(1,910,681)	(818,600)	(2,809,727)	1,354,484
Total funds carried forward	787,875	(6,778,979)	931,005	(5,060,099)	(2,250,372)

The Statement of Financial Activities includes all gains and losses recognised in the period.

The notes on pages 27 to 53 form part of these financial statements.

ST ALBAN CATHOLIC ACADEMIES TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 09660515

BALANCE SHEET
AS AT 31 AUGUST 2019

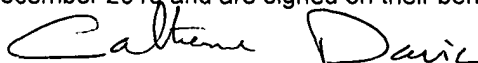
	Note	2019 £	2018 £
Fixed assets			
Tangible assets	13	382,167	187,253
		<u>382,167</u>	<u>187,253</u>
Current assets			
Debtors	14	465,648	1,058,581
Cash at bank and in hand		1,974,903	2,876,260
		<u>2,440,551</u>	<u>3,934,841</u>
Creditors: amounts falling due within one year	15	(542,817)	(942,466)
Net current assets		<u>1,897,734</u>	<u>2,992,375</u>
Total assets less current liabilities		<u>2,279,901</u>	<u>3,179,628</u>
Net assets excluding pension liability		<u>2,279,901</u>	<u>3,179,628</u>
Defined benefit pension scheme liability	21	(7,340,000)	(5,430,000)
Total net assets		<u><u>(5,060,099)</u></u>	<u><u>(2,250,372)</u></u>

ST ALBAN CATHOLIC ACADEMIES TRUST
(A Company Limited by Guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2019

	Note	2019 £	2018 £
Funds of the academy			
Restricted funds:			
Fixed asset funds	16	931,005	1,749,605
Restricted income funds	16	561,021	561,702
Restricted funds excluding pension asset	16	1,492,026	2,311,307
Pension reserve	16	(7,340,000)	(5,430,000)
Total restricted funds	16	(5,847,974)	(3,118,693)
Unrestricted income funds	16	787,875	868,321
Total funds		(5,060,099)	(2,250,372)

The financial statements on pages 22 to 53 were approved by the Trustees, and authorised for issue on 18 December 2019 and are signed on their behalf, by:



Ms Catherine Davies
Chair of Trustees

The notes on pages 27 to 53 form part of these financial statements.

ST ALBAN CATHOLIC ACADEMIES TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 AUGUST 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	18	(646,369)	1,389,999
Cash flows from investing activities	19	(254,988)	128,505
Change in cash and cash equivalents in the period		(901,357)	1,518,504
Cash and cash equivalents at the beginning of the period		2,876,260	1,357,756
Cash and cash equivalents at the end of the period	20	<u>1,974,903</u>	<u>2,876,260</u>

The notes on pages 27 to 53 form part of these financial statements

ST ALBAN CATHOLIC ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2019

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

St Alban Catholic Academies Trust meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

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

ST ALBAN CATHOLIC ACADEMIES TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2019**

1. Accounting policies (continued)

1.3 Income

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

- **Grants**

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

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

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

- **Donations**

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

- **Other income**

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

1.4 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.

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

ST ALBAN CATHOLIC ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2019

1. Accounting policies (continued)

1.5 Tangible fixed assets

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

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

The buildings are owned by the Northampton Roman Catholic Diocese Trust and used under the terms of a supplemental agreement. The terms of the agreement do not transfer the benefits of ownership to the Academy Trust and consequently the value of these assets have not been recognised in these financial statements.

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

Depreciation is provided on the following bases:

Furniture and equipment	- 3 years straight line
ICT equipment	- 5 years straight line
Motor vehicles	- 5 years straight line

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.

1.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.7 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.8 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 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.

ST ALBAN CATHOLIC ACADEMIES TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2019**

1. Accounting policies (continued)

1.9 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments. Amounts due to the academy'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 15. 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 the academy's wholly owned subsidiary are held at face value less any impairment.

1.10 Pensions

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

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy 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.

ST ALBAN CATHOLIC ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2019

1. Accounting policies (continued)

1.11 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. 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.

3. Income from donations and capital grants

Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
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ST ALBAN CATHOLIC ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2019

3. Income from donations and capital grants (continued)

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Transfer from Local Authority on Conversion	-	-	-	-	(465,680)
Other donations and capital grants	-	183,360	833,251	1,016,611	2,696,206
	<u>-</u>	<u>183,360</u>	<u>833,251</u>	<u>1,016,611</u>	<u>2,230,526</u>
<i>Total 2018</i>	<u>567</u>	<u>(356,103)</u>	<u>2,586,062</u>	<u>2,230,526</u>	

4. Funding for the academy's educational operations

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	13,798,005	13,798,005	13,189,251
Other DfE grants	-	1,124,767	1,124,767	980,762
	<u>-</u>	<u>14,922,772</u>	<u>14,922,772</u>	<u>14,170,013</u>
Other government grants				
Local authority grants	-	632,661	632,661	525,369
	<u>-</u>	<u>632,661</u>	<u>632,661</u>	<u>525,369</u>
Other income				
Other income	835,727	37,195	872,922	699,103
	<u>835,727</u>	<u>15,592,628</u>	<u>16,428,355</u>	<u>15,394,485</u>
<i>Total 2018</i>	<u>643,857</u>	<u>14,750,628</u>	<u>15,394,485</u>	

ST ALBAN CATHOLIC ACADEMIES TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2019**

5. Income from other trading activities

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Hire of facilities	32,674	32,674	26,997
Other income	-	-	210
	<u>32,674</u>	<u>32,674</u>	<u>27,207</u>

6. Expenditure

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £	Total 2018 £
Academy's educational operations:					
Direct costs	7,838,933	-	1,382,063	9,220,996	8,920,542
Allocated support costs	5,290,808	812,830	3,584,733	9,688,371	8,166,192
	<u>13,129,741</u>	<u>812,830</u>	<u>4,966,796</u>	<u>18,909,367</u>	<u>17,086,734</u>
<i>Total 2018</i>	<u>12,350,825</u>	<u>708,065</u>	<u>4,027,844</u>	<u>17,086,734</u>	

7. Analysis of expenditure by activities

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £	Total funds 2018 £
Academy's educational operations	<u>9,220,996</u>	<u>9,688,371</u>	<u>18,909,367</u>	<u>17,086,734</u>
<i>Total 2018</i>	<u>8,920,542</u>	<u>8,166,192</u>	<u>17,086,734</u>	

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7. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2019 £	<i>Total funds 2018 £</i>
Staff costs	7,501,564	7,100,462
Technology costs	143,907	243,000
Educational supplies	802,339	783,915
Examination fees	142,613	137,415
Staff development costs	65,167	48,635
Educational consultancy	170,827	182,848
Other direct costs	16,126	22,674
Agency staff	337,369	376,556
Apprenticeship levy	41,084	25,037
	<u>9,220,996</u>	<u>8,920,542</u>

Analysis of support costs

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7. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	Total funds 2019 £	Total funds 2018 £
Pension cost (FRS102)	141,000	143,000
Staff costs	5,197,124	4,794,037
Depreciation	60,074	43,472
Technology costs	75,182	84,453
Staff development	7,164	11,182
Recruitment and support	95,016	93,922
Maintenance of premises and equipment	338,927	280,065
Cleaning	53,435	48,851
Rent and rates	119,949	106,284
Energy costs	234,362	209,242
Insurance	66,157	63,623
Transport	12,785	14,396
Catering	661,361	589,024
Bank interest and charges	6,428	5,699
Other support costs	259,028	270,040
Governance costs	169,372	58,791
Agency costs	93,684	79,770
CIF funding expenditure / donation to Diocese	2,097,323	1,270,341
	9,688,371	8,166,192

8. Net expenditure

Net expenditure for the period includes:

	2019 £	2018 £
Operating lease rentals	21,280	38,571
Depreciation of tangible fixed assets	60,074	43,472
Fees paid to auditors for:		
- audit	22,500	18,000
- other services	1,200	3,500

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9. Staff costs

a. Staff costs

Staff costs during the period were as follows:

	2019 £	2018 £
Wages and salaries	9,730,162	9,027,430
Social security costs	899,269	833,185
Pension costs	2,069,257	2,033,884
	<u>12,698,688</u>	<u>11,894,499</u>
Agency staff costs	431,053	456,326
	<u>13,129,741</u>	<u>12,350,825</u>

Staff restructuring costs comprise:

	2019 £	2018 £
Redundancy payments	1,529	7,000
Severance payments	31,212	25,058
	<u>32,741</u>	<u>32,058</u>

b. Non-statutory/non-contractual staff severance payments

Including in staff restructuring costs are non-statutory/non-contractual severance payments totalling £31,212 (2018 £25,058). Individually, the payments were: £24,500 in November 2018 and £6,712 in February 2019 (£18,500 on 22 September 2017 and £6,558 on 2 February 2018).

c. Staff numbers

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

	2019 No.	2018 No.
Management	23	26
Teachers	147	152
Administration and Support Staff	264	261
	<u>434</u>	<u>439</u>

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NOTES TO THE FINANCIAL STATEMENTS
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9. Staff costs (continued)

c. Staff numbers (continued)

The average headcount expressed as full-time equivalents was:

	2019	2018
	No.	No.
Management	22	25
Teachers	116	126
Administration and Support Staff	138	169
	276	320

d. Higher paid staff

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

	2019	2018
	No.	No.
In the band £60,001 - £70,000	7	6
In the band £70,001 - £80,000	2	3
In the band £80,001 - £90,000	-	1
In the band £100,001 - £110,000	1	-

e. Key management personnel

The key management personnel of the trust comprise the senior management team on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for the services to the trust was £517,592 (2018 £492,721).

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NOTES TO THE FINANCIAL STATEMENTS
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10. Central services

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

- Management and administration
- Legal services
- Audit and accountancy services
- Educational leadership and inspection consultancy

The academy charges for these services on the following basis:

ESG element of the General Annual Grant income for each school.

The actual amounts charged during the period were as follows:

	2019 £	2018 £
Cardinal Newman Catholic School	243,964	41,052
St Margaret of Scotland Catholic Primary School	70,269	20,907
St Martin De Porres Catholic Primary School	50,216	14,927
St Mary's Catholic Primary School	25,602	14,496
St Vincent's Catholic Primary School	24,424	15,492
Total	414,475	106,874

11. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

	2019 £	2018 £
Mr Joseph Richardson, Head Teacher and Accounting Officer	105,000 -	105,000 -
	110,000	110,000
Pension contributions paid	15,000 -	15,000 -
	20,000	20,000

During the period ended 31 August 2019, no Trustee expenses have been incurred (2018 - £NIL).

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12. Trustees' and Officers' insurance

The academy has opted into the Department of 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 membership.

13. Tangible fixed assets

	Furniture and equipment £	Motor vehicles £	Total £
Cost or valuation			
At 1 September 2018	278,012	12,023	290,035
Additions	254,988	-	254,988
At 31 August 2019	<u>533,000</u>	<u>12,023</u>	<u>545,023</u>
Depreciation			
At 1 September 2018	99,423	3,359	102,782
Charge for the period	57,669	2,405	60,074
At 31 August 2019	<u>157,092</u>	<u>5,764</u>	<u>162,856</u>
Net book value			
At 31 August 2019	<u>375,908</u>	<u>6,259</u>	<u>382,167</u>
At 31 August 2018	<u>178,589</u>	<u>8,664</u>	<u>187,253</u>

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14. Debtors

	2019 £	2018 £
Due within one year		
Trade debtors	4,542	13,616
Other debtors	185,318	208,650
Prepayments and accrued income	275,788	836,315
	<u>465,648</u>	<u>1,058,581</u>

15. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	125,172	352,076
Other creditors	71,470	47,281
Accruals and deferred income	346,175	543,109
	<u>542,817</u>	<u>942,466</u>

	2019 £	2018 £
Deferred income at 1 September 2018	159,082	142,681
Resources deferred during the period	132,869	159,082
Amounts released from previous periods	(159,082)	(142,681)
	<u>132,869</u>	<u>159,082</u>

Deferred income carried forward is trip and activities income, UIFSM, school exchange partnership, bursary and 200 Club received in advance.

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Statement of funds

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
Designated funds						
Trip income	-	277,167	(288,245)	11,078	-	-
General funds						
General Funds	868,321	591,234	(660,602)	(11,078)	-	787,875
Total Unrestricted funds	868,321	868,401	(948,847)	-	-	787,875
Restricted general funds						
GAG Funding	560,009	13,798,003	(13,293,138)	(505,546)	-	559,328
Other DfE/ESFA grants	-	1,121,167	(1,121,167)	-	-	-
Local Authority income	-	627,835	(627,835)	-	-	-
Donations	-	183,362	(183,362)	-	-	-
Other restricted funds	-	45,621	(45,621)	-	-	-
School Build fund	1,693	-	-	-	-	1,693
Pension reserve	(5,430,000)	-	(532,000)	-	(1,378,000)	(7,340,000)
	(4,868,298)	15,775,988	(15,803,123)	(505,546)	(1,378,000)	(6,778,979)
Restricted fixed asset funds						
Restricted Fixed Asset funds	187,253	-	(60,074)	254,988	-	382,167
DFC	102,991	171,817	(122,115)	-	-	152,693
CiF funding	1,309,361	-	(1,500,901)	250,558	-	59,018
CSA funding	-	486,684	(149,557)	-	-	337,127
Luton BC	150,000	150,000	(300,000)	-	-	-

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2019**

16. Statement of funds (continued)

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Other capital funding	-	24,750	(24,750)	-	-	-
	<u>1,749,605</u>	<u>833,251</u>	<u>(2,157,397)</u>	<u>505,546</u>	<u>-</u>	<u>931,005</u>
Total Restricted funds	<u>(3,118,693)</u>	<u>16,609,239</u>	<u>(17,960,520)</u>	<u>-</u>	<u>(1,378,000)</u>	<u>(5,847,974)</u>
Total funds	<u>(2,250,372)</u>	<u>17,477,640</u>	<u>(18,909,367)</u>	<u>-</u>	<u>(1,378,000)</u>	<u>(5,060,099)</u>

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

General Funds:

The Academy's general fund represents assets transferred on conversion and income and expenditure relating to activities undertaken by the Academy as part of its charitable Activities. The Academy can then use these funds for any purpose.

Designated Funds:

The trusts designated funds includes income and expenditure relating to school trips.

Restricted Funds:

The Academies receive a number of grants during the year for the purpose of providing educational services to the pupils. These funds include grants from the ESFA for the General Annual Grant (GAG) and the local Authority for Early Years funding, Primary chain grant, Expansion and SEN top up. These grants can be used for staff costs, educational resources and general costs incurred in the running of the academy.

Pension Reserve - As stated in note 20 the trust is a participating employer in two defined benefit pension schemes. A separate reserve has been included to show the impact of the changes in valuation of the LGPS pension scheme.

Restricted Fixed Asset Funds:

The Academies receive Devolved formula capital funding and CIF funding to be spent on capital repairs and the purchase of new equipment. Assets which are capitalised in the accounts are represented by a separate fund within the Restricted Fixed Asset Reserve.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2019.

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NOTES TO THE FINANCIAL STATEMENTS
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16. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2019 were allocated as follows:

	2019 £	2018 £
Cardinal Newman School	300,751	537,878
St Margaret of Scotland Primary School	404,967	331,282
St Martin De Porres Primary School	308,745	256,355
St Mary's Primary School	169,337	138,526
St Vincent's Catholic Primary School	126,101	135,809
Centralised services	38,995	30,173
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	1,348,896	1,430,023
Restricted fixed asset fund	931,005	1,749,605
Pension reserve	(7,340,000)	(5,430,000)
	<hr/>	<hr/>
Total	(5,060,099)	(2,250,372)
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NOTES TO THE FINANCIAL STATEMENTS
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16. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2019 £	Total 2018 £
Cardinal Newman School	4,853,536	2,223,107	516,180	3,175,223	10,768,046	10,156,434
St Margaret of Scotland Primary School	988,752	1,066,078	141,301	588,867	2,784,998	2,758,585
St Martin De Porres Primary School	737,424	877,485	81,472	790,898	2,487,279	2,389,576
St Mary's Primary School	463,406	476,029	33,557	220,426	1,193,418	767,123
St Vincent's Catholic Primary School	458,446	289,398	29,829	286,163	1,063,836	668,633
Centralised services	-	265,027	-	286,689	551,716	302,911
Academy	7,501,564	5,197,124	802,339	5,348,266	18,849,293	17,043,262

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Statement of funds (continued)

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

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Unrestricted funds						
Designated funds						
Trip Income	-	188,270	(210,891)	22,621	-	-
General funds						
General Funds	436,113	483,361	(28,532)	(22,621)	-	868,321
Total Unrestricted funds	436,113	671,631	(239,423)	-	-	868,321
Restricted general funds						
GAG Funding	321,770	13,189,251	(13,000,551)	49,539	-	560,009
Other DfE/ESFA grants	-	986,882	(986,882)	-	-	-
Local Authority income	-	519,249	(519,249)	-	-	-
Other restricted funds	50,000	376,143	(418,816)	(7,327)	-	-
School Build fund	1,693	-	-	-	-	1,693
Pension reserve	(4,934,000)	(677,000)	(608,000)	-	789,000	(5,430,000)
	(4,560,537)	14,394,525	(15,533,498)	42,212	789,000	(4,868,298)
Restricted fixed asset funds						
Restricted Fixed Asset funds	219,636	-	(43,472)	-	-	187,253
DFC	99,516	64,103	-	-	-	102,991
CIF funding	200,416	2,371,959	(1,270,341)	-	-	1,309,361
Luton BC	-	150,000	-	-	-	150,000

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16. Statement of funds (continued)

	<i>Balance at 1 September 2017 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2018 £</i>
	519,568	2,586,062	(1,313,813)	-	-	1,749,605
Total Restricted funds	(4,040,969)	16,980,587	(16,847,311)	42,212	789,000	(3,118,693)
Total funds	(3,604,856)	17,652,218	(17,086,734)	42,212	789,000	(2,250,372)

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	382,167	382,167
Current assets	1,330,692	561,021	548,838	2,440,551
Creditors due within one year	(542,817)	-	-	(542,817)
Provisions for liabilities and charges	-	(7,340,000)	-	(7,340,000)
Total	787,875	(6,778,979)	931,005	(5,060,099)

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17. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2018 £</i>	<i>Restricted funds 2018 £</i>	<i>Restricted fixed asset funds 2018 £</i>	<i>Total funds 2018 £</i>
Tangible fixed assets	-	-	187,253	187,253
Current assets	1,810,787	561,702	1,562,352	3,934,841
Creditors due within one year	(942,466)	-	-	(942,466)
Provisions for liabilities and charges	-	(5,430,000)	-	(5,430,000)
Total	868,321	(4,868,298)	1,749,605	(2,250,372)

18. Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2019 £	2018 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(1,431,727)	565,484
Adjustments for:		
Depreciation	60,074	43,472
Defined benefit pension scheme obligation inherited	-	677,000
Defined benefit pension scheme cost less contributions payable	532,000	608,000
Decrease/(increase) in debtors	589,665	(761,454)
(Decrease)/increase in creditors	(396,381)	397,091
Cash on conversion	-	(139,594)
Net cash (used in)/provided by operating activities	(646,369)	1,389,999

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19. Cash flows from investing activities

	2019 £	2018 £
Purchase of tangible fixed assets	(254,988)	(11,089)
Cash transferred on conversion to an academy asset	-	139,594
Net cash (used in)/provided by investing activities	(254,988)	128,505

20. Analysis of cash and cash equivalents

	2019 £	2018 £
Cash in hand	1,974,903	2,876,260
Total cash and cash equivalents	1,974,903	2,876,260

21. Pension commitments

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

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 full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

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NOTES TO THE FINANCIAL STATEMENTS
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21. Pension commitments (continued)

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. 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 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 September 2019.

The employer's pension costs paid to TPS in the period amounted to £938,111 (2018 - £904,409).

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2019 was £921,000 (2018 - £810,000), of which employer's contributions totalled £739,000 (2018 - £647,000) and employees' contributions totalled £ 182,000 (2018 - £163,000). The agreed contribution rates for future years are 24.1 per cent for employers and a variable per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of 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.

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NOTES TO THE FINANCIAL STATEMENTS
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21. Pension commitments (continued)

Principal actuarial assumptions

	2019	2018
	%	%
Rate of increase in salaries	2.5	2.6
Rate of increase for pensions in payment/inflation	2.2	2.3
Discount rate for scheme liabilities	1.9	2.8

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

	2019	2018
	Years	Years
<i>Retiring today</i>		
Males	20.7	22.4
Females	23.2	24.5
<i>Retiring in 20 years</i>		
Males	21.7	24
Females	24.7	26.2

Sensitivity analysis

	2019	2018
	£000	£000
Discount rate -0.1%	1,280	1,232
Mortality assumption - 1 year increase	1,212	-
CPI rate +0.1%	1,279	1,018
Salary increase +0.1%	1,250	202

The academy's share of the assets in the scheme was:

	At 31	At 31 August
	August 2019	2018
	£	£
Equities	2,719,000	1,798,000
Corporate bonds	611,000	434,000
Property	370,000	279,000
Cash and other liquid assets	183,000	589,000
Total market value of assets	3,883,000	3,100,000

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21. Pension commitments (continued)

The actual return on scheme assets was £96,000 (2018 - £65,000).

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

	2019 £	2018 £
Current service cost	(1,069,000)	(1,112,000)
Past service cost	(58,000)	-
Interest income	96,000	65,000
Interest cost	(237,000)	(208,000)
Administrative expenses	(3,000)	-
Employer contribution	739,000	647,000
Total amount recognised in the Statement of Financial Activities	(532,000)	(608,000)

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

	2019 £	2018 £
At 1 September	5,430,000	4,934,000
Transferred in on existing academies joining the trust	-	677,000
Interest cost	237,000	208,000
Actuarial losses/(gains)	1,941,000	(723,000)
Past service costs	58,000	-
Return on assets (excluding net interest cost)	(2,000)	(66,000)
Employer contributions	(739,000)	(647,000)
Interest received	(96,000)	(65,000)
Admin costs	3,000	-
Current service cost	1,069,000	1,112,000
Change in demographic assumptions	(561,000)	-
At 31 August	7,340,000	5,430,000

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21. Pension commitments (continued)

Changes in the fair value of the academy's share of scheme assets were as follows:

	2019 £	2018 £
At 1 September	3,100,000	2,190,000
Upon conversion	-	12,000
Interest income	96,000	65,000
Actuarial gains	563,000	66,000
Employer contributions	739,000	647,000
Benefits paid	(233,000)	(43,000)
Employee contributions	182,000	163,000
At 31 August	4,447,000	3,100,000

22. 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.

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23. Related party transactions

Owing to the nature of the academy's operations 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 a trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy's financial regulations and normal procurement procedures.

The following related party transactions took place during the year:

A daughter of Mrs S Meader (Chief Finance Officer and School Business Manager) is currently employed by the Trust. The original appointment was made following the Trust's staff recruitment policy and the value of the remuneration fell within the band £35,000 - £40,000.

A grandson of Mrs S Meader (Chief Finance Officer and School Business Manager) is currently employed by the Trust. The original appointment was made following the Trust's staff recruitment policy and the value of the remuneration fell within the band £0 - £5,000.

The headteachers received reimbursement of travel expenses of £277 (£344) as part of travelling for the academy in their capacity as headteacher. This has been dealt with in line with the reimbursement of expenses of other school members.

Mrs Jane Crow, a local governor of St Vincent's Catholic Primary School and a trustee of the member of Duns Scotus trust, was paid £54,244 (2018 £33,407) for consulting services. There was a pre-existing contract in place and this work commenced prior to Mrs Jane Crow becoming a related party.

A daughter of Mrs A Sutton (a trustee) was employed by the Trust. The original appointment was made following the Trust's staff recruitment policy and the value of the remuneration fell within the band £0 - £5,000.