

Company Registration Number: 07696989 (England & Wales)

ASSISI CATHOLIC TRUST
(A Company Limited by Guarantee)

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

ASSISI CATHOLIC TRUST
(A Company Limited by Guarantee)

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ASSISI CATHOLIC TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Alan Williams Stephen Myers (appointed 1 November 2019) Robert Simpson
Trustees	Francis McEvoy, Chair of Trustees David Micklewright Joe Parsad John Foster John Upsher Mathew Stewart Melanie Clayton-Cashell Anna McCormick (appointed 11 October 2019)
Company registered number	07696989
Company name	Assisi Catholic Trust
Principal and registered office	St Thomas More High School Kenliworth Gardens Westcliff on Sea Essex SS0 0BW
Company secretary	N Parr
Senior management team	G Ackred, CEO & Headteacher St Thomas More High School M Westpfel, CFO S Nutman, Executive Headteacher Our Lady or Lourdes & Sacred Heart Primary School E Mouchel, Headteacher St Helen's P Parascondolo, Headteacher Our Lady of Ransom A Delgado, Headteacher St George's J Walker, Headteacher St Joseph's P O'Kane, Headteacher Holy Family N Paterson, Headteacher St Teresa's
Independent auditor	MHA MacIntyre Hudson Chartered Accountants New Bridge Street House 30-34 New Bridge Street London EC4V 6BJ
Bankers	Lloyds Bank 77 High Street Southend on Sea Essex SS1 1HT

ASSISI CATHOLIC TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Solicitors	Winckworth Sherwood LLP London SE1 9BB
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Assis Catholic Trust
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year from 1 September 2018 to 31 August 2019.

The Annual report serves the purposes of both a trustees' report, and a Directors' report under company law.

During the period the Trust expanded to operate eight primary schools and one secondary school serving the south east Essex deaneries in the Catholic Diocese of Brentwood.

The schools are:

- Our Lady of Lourdes Catholic Primary school
- Sacred Heart Catholic Primary school
- St Helen's Catholic Primary school
- St George's Catholic Primary school
- Holy Family Catholic Primary school
- St Joseph's Catholic Primary school
- St Theresa's Catholic Primary school
- Our Lady of Ransom Catholic Primary school
- St Thomas More High school

These schools have a combined pupil capacity of 3416 and had a roll of 3319 in the school census on October 2018.

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. Constitution

The Trust is a company limited by guarantee and an exempt charity.

The memorandum and articles of association are the primary governing documents of the academy trust.

The Trustees of Assis Catholic Trust are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Assisi Catholic Trust.

Details of the Trustees who served during the year are included in the Reference and Administrative Details on page 3.

b. Members' Liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, for the debts and liabilities contracted before they ceased to be a member. The liability shall not exceed £10

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

c. Trustees' Indemnities

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

d. Method of Recruitment and Appointment or Election of Trustees

Full details are set out within the Articles of Association which detail type, number and process of appointing Trustees.

The Diocesan Bishop appoints the members of the Trust. The members appoint the Trustees, taking into account the skills and expertise necessary for effective operation of the Board and to contribute fully to the Trust's development. The management of the Trust is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust Articles of Association

e. Policies and Procedures Adopted for the Induction and Training of Trustees

As there are only normally a handful (one or two) new Trustees in a year and as the backgrounds of individual Trustees differs hugely, induction is via external formal training sessions plus informal induction tailored to the needs of the individual. Where necessary, training will be provided on educational legal and financial matters. All new trustees are encouraged to visit the various schools, to meet with the Headteacher, staff and pupils, and are provided with key documents such as the Articles of Association, the Scheme of Delegation, policies, procedures, minutes, budgets, accounts, plans and any other documents necessary to undertake their role as Trustees.

f. Organisational Structure

The governance of the Academy is defined in the Memorandum of Understanding and Articles of Association together with the funding agreement with the Department of Education.

The Board of Trustees has the ultimate responsibility for Assisi Catholic Trust. The Trust has arranged its business in such a way that responsibilities and lines of accountability are clearly identified in the scheme of delegation. The Trustees are responsible for determining overall strategy, adopting an annual plan and budget, monitoring the Trust's financial and operational performance, reviewing the educational progress of all academies and making major decisions about the direction of the Trust, capital expenditure and senior staff appointments.

Local Governing Committees (LGCs) at each Academy are committees of the Trust Board. They have delegated responsibility for key aspects of each school, including ensuring clarity of vision and ethos, holding the Headteacher to account and ensuring that funding is well spent. Risk management and governance is scrutinised by the Trust's Audit & Risk committee. The Trust Board, its committees and LGCs meet at least once every term.

The day-to-day management of the Trust is the responsibility of the Chief Executive Officer, who is also the Trust's Accounting Officer. Leadership and Management of each school within the Trust is delegated by Trustees to the Senior Leadership Team of each school.

The Board, in the performance of its duties, pays due regard to the advice and information provided by the supporting committees and Trust committees.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

g. Arrangements for setting pay and remuneration of key management personnel

Pay and remuneration of key management personnel within the trust is decided by a variety of contributory factors, such as the school group size, ISR, the pay scales for each role, performance management and the level of experience of each staff member. In addition, pay levels may be affected by nationally agreed pay awards, the ability to recruit and retain in post, all of which are in accordance with the Trust's appointment and pay policies.

The Resources committee of Trustees approves all amendments to key management's pay and remuneration.

h) Employee involvement and employment of the disabled

Employees have been consulted on issues of concern to them by means of regular staff meetings and have been kept informed on specific matters directly by management.

The Trustees recognise their responsibilities under equality legislation, specifically the Equality Act 2010.

All those taking part in the recruitment and selection process have responsibility for applying the Trust's policy on equal opportunities to avoid unlawful discrimination. The Trustees recognise that all public sector organisations are under a single equality duty to demonstrate that they are achieving equality in their workforce across all protected characteristics.

In accordance with the Trust's Equal opportunities policy, the Academies have all long established fair employment practices in the recruitment, selection, retention and training of disabled staff.

The Trust has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Health and Safety Policy

The Headteachers of all the Academies meet on a regular basis as an Executive Leadership Team, to ensure an exchange of views and continued development of related personnel policies. Joint training happens with a plan to further increase capacity for this with joint inset days throughout the year as well as link meetings of departments across the Trust.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
2	

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	
1%-50%	2
51%-99%	
100%	

Percentage of pay bill spent on facility time

Provide the total cost of facility time	0
Provide the total pay bill	0
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as:	0
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(total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	0
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Related parties and other connected charities and organisations.

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. Any transactions where the Trustee has a pecuniary interest is only undertaken in accordance with the 'at cost' principle stated in the Academies Financial Handbook.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

OBJECTIVES AND ACTIVITIES

a. Objects and Aims

Our mission is to inspire the children in our care and that our schools place Christ and the teaching of the Catholic Church at the centre of all we do. We believe that every child has a right to educational excellence and we will strive together in partnership to ensure this happens.

The aim of the Trust is to establish, maintain and develop Catholic schools (and other schools, subject to the approval of the Bishop) within the Diocese.

The principal objective and activity of the Trust in the period under review was to continue to improve the educational outcomes for all of its pupils. To support the spiritual, moral, social, cultural and physical development of each child, as well as maximising progress, achievement and attainment to ensure their intellectual growth and fulfilment of their potential.

We work together to train, develop and retain teachers, support staff and leaders.

We work together closely to support each other to strengthen our Catholic schools and to achieve economies of scale by being part of a larger buying group.

b. Public Benefit

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers and duties. They have referred to guidance when reviewing the Company's aims and objectives and in planning its future activities.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

STRATEGIC REPORT

Achievements and Performance

a. Key Performance Indicators

A Level Achievement and Progress Data

St Thomas More High School

A Level average grade C.

A Level Progress Score is estimated between -0.07 and +0.05, which is average compared to national figures.

A* to B	35.1%
A* to C	69.3%
A* to E	97.6%

GCSE Achievement and Progress Data

St Thomas More High School

Progress Measure	St Thomas More	Boys National	National
Progress 8	+ 0.53	-0.27	-0.03
English Element	+0.51	-0.45	-0.04
Maths Element	+0.38	-0.02	-0.02
EBacc Element	+0.71	-0.20	-0.03
Open Element	+0.46	-0.42	-0.04

St Thomas More is ranked in the top 10% of schools for progress when comparing us like for like against other schools in the Country. Our Progress 8 has placed us in the top 10% of schools for at least two years.

Subject	9 - 7	9 - 5	9 - 4	9 - 1
English	20.5%	65.8%	75.3%	100%
Maths	21.9%	66.4%	79.5%	98.6%
R.E.	26.5%	56.5%	70.1%	99.3%
Biology	48.6%	94.6%	100%	100%
Chemistry	59.5%	94.6%	97.3%	100%
Physics	62.2%	94.6%	100%	100%

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

Primary School Achievement and Progress Data

KS2 Achievement Data (% of pupils)	Achieving the expected standard in reading, writing and maths combined	Achieving the higher standard in reading, writing and maths combined
Sacred Heart	77	17
Our Lady of Lourdes	67	18
Our Lady of Ransom	69	14
St Helen's	73	20
St George's	73	7
St Joseph's	59	11
St Teresa's	77	19
Holy Family	65	16
National	65	11

KS2 Progress Data	Progress in reading	Progress in writing	Progress in Maths
Sacred Heart	0.60	-1.13	-0.39
Our Lady of Lourdes	-1.69	-1.21	-1.61
Our Lady of Ransom	0.36	0.44	-1.14
St Helen's	2.50	1.22	4.22
St George's	0.08	-0.77	1.04
St Joseph's	-1.58	1.86	-1.18
St Teresa's	0.29	0.27	0.02
Holy Family	-1.64	1.08	-0.28
National	0.31	0.24	0.31

Going Concern

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

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

FINANCIAL REVIEW

The principal source of funding for the Trust is the GAG and other grants that it receives from the Education Skills Funding agency (ESFA). For the year ended 31 August 2019 the Trust received £21,523,882 of GAG and other funding. A high percentage of this income is spent on wages and salaries and support costs to deliver the Academy's primary objective of the provision of education. During the year the Trust spent £19,090,182 on revenue expenditure and £2,225,459 on capital new build and improvement projects. The new build was completed in the year and £3,147,595 was transferred from assets under construction to freehold property. The Academy brought forward from 17/18, £830,792 restricted funds and £1,237,830 unrestricted funding. The carry forward for 18/19 is £993,122 restricted funding and £2,435,200 unrestricted funding. Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Academy is recognising a significant pension fund deficit of £7,329,000, included in restricted funds. This does not mean that an immediate liability for this amount crystallises and such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years.

a) Reserves Policy

The Trustees review the reserve levels of the Trust annually. The review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. Reserves are held for reinvestment in individual schools, for specific capital projects, curriculum investment and to mitigate the impact of reductions to funding.

Disclosure of funds in deficit is also included in the Funds Note in the financial statements at note 18.

At 31 August 2019 the total funds comprised:

	£
Unrestricted	2,435,200
Restricted:	
Fixed asset funds	3,674,986
Pension reserve	(7,329,000)
Other	4,647,136
	<u>3,428,322</u>

b) Investment Policy

Assisi Catholic Trust does not have any material investments.

The Trust's Investment Policy enables Trustees to invest to further the Trust's charitable aims, whilst ensuring that investment risk is properly managed. The policy ensures that the security of funds takes precedence over revenue maximisation.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

c) Principal Risks and Uncertainties

The Trustees maintain a risk register identifying the major risks to which the Trust is exposed, and identifying actions and procedures to mitigate those risks. A formal review of the risk register process is undertaken on an annual basis and the internal control systems and the exposure to said risks are monitored on behalf of the Trustees at each Audit & Risk Committee meeting. The principal risks facing the Trust are outlined below; those facing an academy at an operational level are addressed by its systems and by internal financial and other controls.

The Trustees report that the Trust's financial and internal controls conform to guidelines issued by the ESFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

As a multi academy trust, the level of financial risk is low. Cash flows can be reliably forecast, monitored and reported. Staff costs make up the majority of expenditure and are relatively stable with contingencies in place to cover such items as sickness and maternity.

The Trustees assess the other principal risks and uncertainties facing the Trust as follows:

- Funding - the financial impact of future changes to funding levels from the DfE/ESFA as there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms;
- staffing - teacher recruitment and retention;
- admissions - pupil numbers in an increasing competitive education landscape particularly in the smaller schools of the MAT;
- fraud and mismanagement of funds - The Trust has appointed an internal auditor to carry out independent and external checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep up to date with financial practice requirements and develop their skills in this area;
- financial instruments – the Trust only deals with bank balances, cash and trade creditors, with limited trade (and other) debtors. The risk in this area is considered to be low; and
- defined benefit pension liability – as the Government has agreed to meet the defined benefit pension liability of any school ceasing to exist. The main risk to the Trust is an annual cash flow funding of part of the deficit. Trustees take these payments into account when setting the annual budget plan.

The Trust continues to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. Mitigating actions have been identified to address these risks.

d) Fundraising

There are no professional fundraising activities in Assisi Catholic Trust.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

PLANS FOR FUTURE PERIODS

The strategic aims of the Assisi Catholic Trust are:

- To further develop the distinctive Catholic nature of the schools and the Trust.
- To build a culture of success and achievement across all schools in the Trust.
- To develop every child and young person so that they achieve and are successful, confident, independent and resilient learners for life.
- To develop and embed sustainable, high quality and robust Catholic leadership across the Trust.
- To develop inspirational teaching that fosters aspirational learning.
- To strengthen engagement between our schools and our communities expanding our Trust to include all Deanery schools.
- To prioritise excellence in facilities, staffing and resourcing.

The Key Priorities for the Trust 2019/2020 are to:

- Manage the continued expansion of three Trust schools in response to the local area demand for increased school places;
- Continue to develop succession plans for school leadership teams;
- Continue to work to improve and enhance condition of school premises and facilities;
- Further increase capacity at Trust schools by agreeing on central services to be delivered for the partnership contribution;
- Continue to work to deliver centrally driven supplier contracts;
- To adopt a challenging approach to staffing levels and costs in order to meet the decline in funding.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

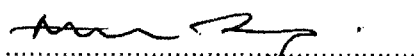
No funds are held as custodian trustee.

AUDITOR

Insofar as the trustees are aware:

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

Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 12th December 2019 and signed on the board's behalf by:



Mr Frank McEvoy
Chair of Trustees

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GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2019

SCOPE OF RESPONSIBILITY

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

The board of Trustees has delegated the day-to-day responsibility to the accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Assisi Catholic Trust Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

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

Trustee	Meetings attended	Out of a possible
Mr Frank McEvoy (Chair)	6	6
Mr John Upsher (Vice Chair)	6	6
Mr David Micklewright	6	6
Mr Joe Parsad	2	6
Mr Mathew Stewart	6	6
Mr John Foster	6	6
Mrs Melanie Clayton	2	0
Mrs Anna McCormick	0	0

Also in attendance were Gemma Ackred, the Trust's Chief Accounting Officer and Mr Geoff Prior, the Trust's Chief Financial Officer.

Resources Committee

To consider and advise the Board on all aspects of strategy management and development of our people, premises and finances, to ensure sound management of the Trust's personnel, finances and resources, proper planning, monitoring, probity and value for money.

Trustee	Meetings attended	Out of a possible
Mr Frank McEvoy (Chair)	1	1
Mr John Upsher (Vice Chair)	1	1
Mr David Micklewright	1	1
Mr Joe Parsad	N/A	N/A
Mr Mathew Stewart	N/A	N/A
Mr John Foster	1	1
Mrs Melanie Clayton	N/A	N/A
Mrs Anna McCormick	N/A	N/A

Also in attendance were Gemma Ackred, the Trust's Chief Accounting Officer and Mr Geoff Prior, the Trust's Chief Financial Officer.

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**GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2019**

Audit and Risk Committee

To maintain oversight of the Trust's governance, risk management and internal control framework and report its findings to the Board of Trustees as a critical element of the Trust's annual reporting requirements.

Any major issues or risks identified from the work of the Committee together with recommended solutions, will be referred to the Board of Trustees for ratification and inclusion within the Trust's Risk Management register.

Trustee	Meetings attended	Out of a possible
Mr Frank McEvoy (Chair)	N/A	N/A
Mr John Upsher (Vice Chair)	N/A	N/A
Mr David Micklewright	N/A	N/A
Mr Joe Parsad	1	1
Mr Mathew Stewart	1	1
Mr John Foster	N/A	N/A
Mrs Melanie Clayton	N/A	N/A
Mrs Anna McCormick	N/A	N/A

Also in attendance were Gemma Ackred, the Trust's Chief Accounting Officer and Mr Geoff Prior, the Trust's Chief Financial Officer and the Trust's appointed Internal Auditor.

Standards Committee

To maintain oversight of the Trust's education outcomes for its children and to monitor the curriculum and develop the Catholic ethos of all Trust schools to ensure all our schools continue to nurture and develop as outstanding Catholic schools.

Trustee	Meetings attended	Out of a possible
Mr Frank McEvoy (Chair)	1	1
Mr John Upsher (Vice Chair)	1	1
Mr David Micklewright	N/A	N/A
Mr Joe Parsad	N/A	N/A
Mr Mathew Stewart	N/A	N/A
Mr John Foster	N/A	N/A
Mrs Melanie Clayton	0	1
Mrs Anna McCormick	N/A	N/A

Also in attendance were Gemma Ackred, the Trust's Chief Accounting Officer.

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2019

Governance Review

The Trust Board undertook a self-appraisal and reviewed their skills audit in May 2019, which identified the diversity of its board with a particular strength in understanding the distinctive Catholic ethos of our academies as a key areas to strengthen. Successful recruitment obtained an additional trustee with expertise in this field. External training delivered by GovernEd to 4 Trustees to strengthen their understanding of the role of Trustees has enhanced the skills of these Trustees and the Board holistically. The intention is to self-review the Board on an annual basis.

REVIEW OF VALUE FOR MONEY

As accounting officer, the Chief Accounting Officer has responsibility for ensuring that the academy trust delivers good value in the use of public resources 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 understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

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

- Rigorously challenging performance of the academies in the MAT to demonstrate continued educational improvement.
- Continued working towards a centralised solution to ICT infrastructure and maintenance across the Trust to be in place from January 2020. This will provide cost savings across the Trust using current staff expertise and future staff training and development.
- Centralising the condition improvement surveys to develop a fair and equitable distribution of funds and develop an asset management plan for 5 – 10 years.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Assisi Catholic Trust for the period 1st 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 Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1st 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.

THE RISK AND CONTROL FRAMEWORK

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

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2019

- 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 an internal auditor, Mrs Carol Gradwell, to carry out a programme of internal checks

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. On a termly basis, the internal auditor reports to the trustees on the operation of systems of control and on the discharge of the Board of Trustees financial responsibilities

In particular the checks carried out in the current period include a risk based review of systems and processes covering

- review of financial processes
- testing of wages systems
- review of systems and procedures in the joining primary schools

REVIEW OF EFFECTIVENESS

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

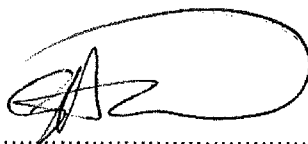
- the work of the internal reviewer
- the work of the external auditor
- the financial management and governance self-assessment process
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework

The accounting officer has been advised of the implications of the result of these reviews of the system of internal control by the relevant Trust Committees. and a plan to ensure continuous improvement of the system in place.

Approved by order of the members of the board of trustees on 12th December 2019 and signed on its behalf by:



Mr Frank McEvoy
Chair of Trustees



Mrs Gemma Ackred
Accounting Officer

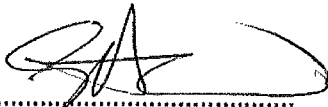
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Assisi Catholic Trust I have considered my responsibility to notify the Academy Trust 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 Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

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



.....
Gemma Ackred
Accounting Officer

Date: 17/12/19

ASSISI CATHOLIC TRUST
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INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ASSISI CATHOLIC TRUST

Opinion

We have audited the financial statements of Assisi Catholic Trust (the 'academy trust') for the year 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 Trust's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

ASSISI CATHOLIC TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ASSISI CATHOLIC 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 Auditor's Report thereon. Other information includes Reference and Administrative Details, Trustees Report, incorporating the Strategic Report and the Directors Report, the Governance Statement, the Statement on Regularity, Propriety and Compliance and the Trustees Responsibilities 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 (incorporating the Strategic Report and the Directors Report) for the financial year for which the financial statements are prepared is consistent with the financial statements and.
- the Strategic Report and the Directors Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

ASSISI CATHOLIC TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ASSISI CATHOLIC TRUST (CONTINUED)

Responsibilities of trustees

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

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


Auditor's responsibilities for the audit of the financial statements

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

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 Auditor's Report.

Use of our report

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



Rakesh Shaunak FCA (Senior Statutory Auditor)

for and on behalf of

MHA MacIntyre Hudson

Chartered Accountants

New Bridge Street House

30-34 New Bridge Street

London

EC4V 6BJ

Date: 19/12/19

ASSISI CATHOLIC TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ASSISI CATHOLIC TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated [enter date here] 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 Assisi Catholic Trust during the year 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 Assisi Catholic Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Assisi Catholic 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 Assisi Catholic Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Assisi Catholic Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Assisi Catholic Trust's funding agreement with the Secretary of State for Education 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 year 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.

ASSISI CATHOLIC TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ASSISI CATHOLIC 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 Trust's income and expenditure.

The work undertaken to draw our conclusions includes:

- reviewing the Minutes of the Governing Body and other evidence made available to us, relevant to our
- consideration of regularity;
- a review of the objectives and activities of the Academy Trust, with reference to the income streams and other information available to us as auditors;
- testing of a sample of payroll payments to staff;
- testing of a sample of payments to suppliers and other third parties;
- testing of a sample of grants received and other income streams;
- consideration of governance issues and
- evaluating the internal control procedures and reporting lines, and testing as appropriate and making appropriate enquiries of the Accounting Officer.

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 year 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.



Reporting Accountant

MHA MacIntyre Hudson

Date: 19/12/19.

ASSISI CATHOLIC TRUST
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	As restated Total funds 2018 £
Income from:						
Donations and capital grants	3	826,874	773,000	3,120,511	4,720,385	2,450,339
Charitable activities	4	148,795	16,189,900	-	16,338,695	6,651,688
Other trading activities	5	459,221	-	-	459,221	57,120
Investments	6	5,581	-	-	5,581	2,416
Total income		1,440,471	16,962,900	3,120,511	21,523,882	9,161,563
Expenditure on:						
Charitable activities		243,101	17,712,764	1,134,317	19,090,182	7,913,049
Total expenditure	7	243,101	17,712,764	1,134,317	19,090,182	7,913,049
Net movement in funds before other recognised gains/(losses)		1,197,370	(749,864)	1,986,194	2,433,700	1,248,514
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	24	-	(1,074,000)	-	(1,074,000)	548,000
Net movement in funds		1,197,370	(1,823,864)	1,986,194	1,359,700	1,796,514
Reconciliation of funds:						
Total funds brought forward		1,237,830	(858,000)	1,688,792	2,068,622	272,108
Net movement in funds		1,197,370	(1,823,864)	1,986,194	1,359,700	1,796,514
Total funds carried forward		2,435,200	(2,681,864)	3,674,986	3,428,322	2,068,622

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

The notes on pages 27 to 55 form part of these financial statements.

ASSISI CATHOLIC TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07696989

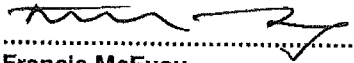
BALANCE SHEET
AS AT 31 AUGUST 2019

	Note	2019 £	As restated 2018 £
Fixed assets			
Tangible assets	14	3,638,294	1,365,805
		<u>3,638,294</u>	<u>1,365,805</u>
Current assets			
Debtors	15	4,324,171	2,555,268
Cash at bank and in hand		3,610,427	1,876,742
		<u>7,934,598</u>	<u>4,432,010</u>
Creditors: amounts falling due within one year	16	(815,570)	(746,193)
Net current assets		<u>7,119,028</u>	<u>3,685,817</u>
Total assets less current liabilities		<u>10,757,322</u>	<u>5,051,622</u>
Net assets excluding pension liability		<u>10,757,322</u>	<u>5,051,622</u>
Defined benefit pension scheme liability	24	(7,329,000)	(2,983,000)
Total net assets		<u><u>3,428,322</u></u>	<u><u>2,068,622</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	18	3,674,986	1,688,792
Restricted income funds	18	4,647,136	2,125,000
		<u>8,322,122</u>	<u>3,813,792</u>
Restricted funds excluding pension asset	18	8,322,122	3,813,792
Pension reserve	18	(7,329,000)	(2,983,000)
Total restricted funds	18	<u>993,122</u>	<u>830,792</u>
Unrestricted income funds	18	<u>2,435,200</u>	<u>1,237,830</u>
Total funds		<u><u>3,428,322</u></u>	<u><u>2,068,622</u></u>

ASSISI CATHOLIC TRUST
(A Company Limited by Guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2019

The financial statements on pages 23 to 55 were approved by the Trustees, and authorised for issue on and are signed on their behalf, by:



Francis McEvoy
Chair of Trustees

Date: 17/12/19

The notes on pages 27 to 55 form part of these financial statements.

ASSISI CATHOLIC TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash used in operating activities	20	(1,562,670)	(712,884)
Cash flows from investing activities	21	3,296,355	1,240,254
Change in cash and cash equivalents in the year		1,733,685	527,370
Cash and cash equivalents at the beginning of the year		1,876,742	1,349,372
Cash and cash equivalents at the end of the year	22	<u>3,610,427</u>	<u>1,876,742</u>

The notes on pages 27 to 55 form part of these financial statements

ASSISI CATHOLIC TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR 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 Trust, 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.

The financial statements are presented in pound sterling which is the functional currency of the Academy Trust and are rounded to the nearest pound.

Assisi Catholic 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 Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

ASSISI CATHOLIC TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.3 Income

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

- **Grants**

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the 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.

- **Sponsorship income**

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the year in which it is receivable (where there are no performance-related conditions) where receipt is probable and it can be measured reliably.

- **Donations**

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

- **Other income**

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

- **Transfer on conversion**

Where assets and liabilities are received by the Academy Trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

ASSISI CATHOLIC TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

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 Trust's educational operations, including support costs and costs relating to the governance of the Academy Trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

1.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

1.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy Trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.7 Tangible fixed assets

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

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

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 straight-line basis over its expected useful life, as follows:

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

1. Accounting policies (continued)

1.7 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

Astro turf	- 7 years straight line
Furniture and equipment	- 10 years straight line
Computer equipment	- 3 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.

1.8 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.

1.9 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.

1.10 Liabilities

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

1.11 Financial instruments

The Academy Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy Trust and their measurement 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 15. Prepayments are not financial instruments. Amounts due to the Academy Trust'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 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

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

1. Accounting policies (continued)

1.12 Pensions

The Academy Trust is a member of a multi-employer plan. Where it is not possible for the Academy Trust to obtain sufficient information to enable it to account for the plan as a defined benefit plan, it accounts for the plan as a defined contribution plan.

1.13 Conversion to an academy trust

The conversion from a state maintained school to an Academy Trust involved the transfer of identifiable assets and liabilities and the operation of the school for £NIL consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from Our Lady of Ransom Catholic Primary School, Holy Family Catholic Primary School, St George's Catholic Primary School, St Joseph's Catholic Primary School, St Teresa's Catholic Primary School and St Helen's Catholic Primary School to the Academy Trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate Balance Sheet categories, with a corresponding amount recognised in Income from Donations and Capital Grants in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 23.

1.14 Agency arrangements

The Academy Trust acts as an agent in managing funds for separate entities. Payments received, and subsequent disbursements are excluded from the Statement of Financial Activities as the Trust does not have control over the charitable application of these funds.

The Academy Trust acts as an agent in distributing 16-19 Bursary Funds from the ESFA. The Academy Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities.

1.15 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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.

Investment income, gains and losses are allocated to the appropriate fund.

ASSISI CATHOLIC TRUST
(A Company Limited by Guarantee)

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

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 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 24, 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.

Critical areas of judgment:

The treatment of land and buildings is detailed at note 14.

3. Income from donations and capital grants

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Donations	66,942	3,301,000	-	3,367,942
Transferred on conversion	759,932	(2,528,000)	-	(1,768,068)
Capital grants	-	-	3,120,511	3,120,511
Total 2019	826,874	773,000	3,120,511	4,720,385

ASSISI CATHOLIC TRUST
(A Company Limited by Guarantee)

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

3. Income from donations and capital grants (continued)

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Donations	17,051	1,437,468	-	1,454,519
Transferred on conversion	439,156	(1,146,000)	231,149	(475,695)
Capital grants	-	-	1,471,515	1,471,515
Total 2018 as restated	456,207	291,468	1,702,664	2,450,339

4. Funding for the Academy Trust's educational operations

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
DfE/ESFA grants			
General Annual Grant (GAG)	-	14,024,946	14,024,946
Pupil Premium	-	579,915	579,915
Start Up Grants	-	7,756	7,756
Other DfE / ESFA revenue grants	-	779,681	779,681
	-	15,392,298	15,392,298
Other government grants			
Local Authority revenue grants	-	367,479	367,479
	-	367,479	367,479
Other income from educational operations			
Catering income	148,795	-	148,795
Trip income	-	380,592	380,592
Other income	-	49,531	49,531
Total 2019	148,795	16,189,900	16,338,695

ASSISI CATHOLIC TRUST
(A Company Limited by Guarantee)

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

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £
DfE/ESFA grants			
General Annual Grant (GAG)	-	5,857,752	5,857,752
Pupil Premium	-	129,949	129,949
Start Up Grants	-	18,413	18,413
Other DfE / ESFA revenue grants	-	292,741	292,741
	-	6,298,855	6,298,855
Other government grants			
Local Authority grants	-	87,133	87,133
	-	87,133	87,133
Other income from educational operations			
Catering income	5,703	-	5,703
Trip income	-	187,890	187,890
Non-Government revenue grants	49,992	22,115	72,107
	55,695	210,005	265,700
Total 2018	55,695	6,595,993	6,651,688

There are no unfulfilled conditions or other contingencies attached to the government grants above.

5. Income from other trading activities

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Lettings	17,467	17,467	31,074
Other income	441,754	441,754	26,046
Total 2019	459,221	459,221	57,120

In the prior year all income from other trading activities was unrestricted.

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

6. Investment income

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Bank interest receivable	5,581	5,581	2,416

In the prior year all investment income was unrestricted.

7. Expenditure

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £
Educational Operations:				
Direct costs	8,873,322	-	1,071,089	9,944,411
Allocated support costs	5,225,537	2,829,538	1,090,696	9,145,771
Total 2019	14,098,859	2,829,538	2,161,785	19,090,182

	Staff Costs 2018 £	Premises 2018 £	Other 2018 £	Total 2018 £
Educational Operations:				
Direct costs	3,762,571	-	482,930	4,245,501
Allocated support costs	1,842,023	1,118,612	706,913	3,667,548
Total 2018 as restated	5,604,594	1,118,612	1,189,843	7,913,049

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8. Analysis of expenditure by activities

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £
Educational Operations	9,944,411	9,145,771	19,090,182
Total 2019	9,944,411	9,145,771	19,090,182

	Activities undertaken directly 2018 £	Support costs 2018 £	Total funds 2018 £
Educational Operations	4,245,501	3,667,548	7,913,049
Total 2018 as restated	4,245,501	3,667,548	7,913,049

Analysis of support costs

	Educational Operations 2019 £	Total funds 2019 £	As restated Total funds 2018 £
Pension income	133,000	133,000	65,000
Staff costs	5,080,864	5,080,864	1,777,023
Depreciation	85,248	85,248	110,303
Technology costs	206,485	206,485	124,609
Premises costs	2,829,583	2,829,583	1,118,612
Other costs	741,361	741,361	457,221
Governance costs	69,230	69,230	14,780
	9,145,771	9,145,771	3,667,548

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9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2019 £	As restated 2018 £
Depreciation of tangible fixed assets	85,248	110,303
Fees paid to auditor for:		
- audit	33,000	12,000
- other services	19,015	2,780
	<u>137,263</u>	<u>125,083</u>

10. Staff costs

a. Staff costs

Staff costs during the year were as follows:

	2019 £	2018 £
Wages and salaries	10,613,082	4,231,690
Social security costs	886,778	399,795
Pension costs	2,398,537	835,046
	<u>13,898,397</u>	<u>5,466,531</u>
Agency staff costs	55,789	59,463
Staff restructuring costs	-	13,600
Pension finance cost	133,000	65,000
	<u>14,087,186</u>	<u>5,604,594</u>

Staff restructuring costs comprise:

	2019 £	2018 £
Severance payments	-	13,600
	<u>-</u>	<u>13,600</u>

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

Included in staff restructuring costs are non-statutory severance payments totalling £Nil (2018 - £13,600). Individually, the payments were £Nil (2018 - £10,000 and £3,600).

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

10. Staff costs (continued)

c. Staff numbers

The average number of persons employed by the Academy Trust during the year was as follows:

	2019 No.	2018 No.
Teaching	192	94
Admin and support	325	127
Management	30	14
	<u>547</u>	<u>235</u>

d. Higher paid staff

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

	2019 No.	2018 No.
In the band £60,001 - £70,000	7	4
In the band £70,001 - £80,000	6	-
In the band £80,001 - £90,000	-	1
In the band £100,001 - £110,000	-	1
In the band £120,001 - £130,000	1	-
	<u>1</u>	<u>-</u>

Twelve of the above employees participated in the Teachers Pension Scheme. During the year ended 31 August 2019, pension contributions for participating members amounted to £140,017. Two employees have opted out of contributing into either of the pension schemes held by the Academy Trust.

e. Key management personnel

The Key Management Personnel of the Academy Trust comprise the Trustees, the Executive Head of the sponsor academy, as well as the Headteachers of the other primary academies, and the senior finance staff. The total amount of employee benefits (including employer national insurance contributions and employer pension contributions) received by Key Management Personnel for their services to the Academy Trust was £937,875 (2018 - £184,286 (restated)).

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NOTES TO THE FINANCIAL STATEMENTS
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11. Central services

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

- Centralised payroll function, from April 2019.
- Finance support

The Academy Trust charges for these services on the following basis:

Flat 2% of GAG School Budget Share funding.

The actual amounts charged during the year were as follows:

	2019 £	2018 £
St Thomas More High School	52,344	-
Our Lady of Lourdes Catholic Primary School	29,895	-
Sacred Heart Catholic Primary School	23,348	-
St Joseph's Catholic Primary School	16,314	-
Holy Family Catholic Primary School	15,212	-
Our Lady of Ransom Catholic Primary School	32,041	-
St Teresa's Catholic Primary School	15,182	-
St Helen's Catholic Primary School	24,203	-
St George's Catholic Primary School	17,080	-
Total	225,619	-

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2018 - £NIL).

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

13. Trustees' and Officers' insurance

The Academy Trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, error 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.

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**NOTES TO THE FINANCIAL STATEMENTS
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14. Tangible fixed assets

	Freehold property £	Assets under construction £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation					
At 1 September 2018 (as previously stated)	213,267	1,040,679	89,774	393,300	1,737,020
Prior Year Adjustment	-	-	231,149	-	231,149
At 1 September 2018 (as restated)	213,267	1,040,679	320,923	393,300	1,968,169
Additions	-	2,225,459	71,419	60,859	2,357,737
Transfers between classes	3,147,595	(3,147,595)	-	-	-
At 31 August 2019	3,360,862	118,543	392,342	454,159	4,325,906
Depreciation					
At 1 September 2018 (as previously stated)	213,267	-	54,578	299,622	567,467
Prior Year Adjustment	-	-	34,897	-	34,897
At 1 September 2018 (as restated)	213,267	-	89,475	299,622	602,364
Charge for the year	-	-	30,206	55,042	85,248
At 31 August 2019	213,267	-	119,681	354,664	687,612
Net book value					
At 31 August 2019	3,147,595	118,543	272,661	99,495	3,638,294
At 31 August 2018 (as restated)	-	1,040,679	231,448	93,678	1,365,805

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NOTES TO THE FINANCIAL STATEMENTS
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14. Tangible fixed assets (continued)

The Academy Trust owns 5 acres of land which has been included in the accounts at nil value.

Included within freehold land is an astroturf pitch which has been included in the accounts based on the valuation provided by the Trustees using the depreciation replacement costs method. Trustees do not believe that the cost of obtaining a more detailed valuation outweighs the benefit.

The Academy Trust occupies land and buildings provided to it by the Diocesan trustees under a license (also referred to as a Church Supplemental Agreement) which contains a two year notice period. Having considered the fact that the Academy Trust occupies the land and buildings by a license that transfers to the Academy no rights or control over the site save that of occupying it at the will of the Diocesan trustees under the agreement, the Diocesan trustees have concluded that the value of the land and building occupied by the Academy Trust will not be recognised or valued within fixed assets.

There have been alterations to the buildings used by the Academy Trust during the year, funded by a CIF grant. The Trustees have reviewed the terms of the agreement and have reflected on the guidance detailed in the Academies Accounts Direction. The Trustees have concluded that the alterations to the buildings, funded by a Basic Need Grant, should be recognised as an asset of the Academy Trust as the Academy Trust controls the buildings, and has obtained the funding for these alterations. These improvements are capitalised and will be depreciated over their useful life once the building alterations are complete.

15. Debtors

	2019 £	2018 £
Due after more than one year		
Other debtors	4,069,000	2,125,000
	<u>4,069,000</u>	<u>2,125,000</u>
Due within one year		
Trade debtors	-	30,504
Other debtors	7,854	-
Prepayments and accrued income	205,968	307,772
VAT recoverable	41,349	91,992
	<u>4,324,171</u>	<u>2,555,268</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	150,872	60,942
Other taxation and social security	220,606	309,082
Other creditors	64,142	-
Accruals and deferred income	379,950	376,169
	815,570	746,193
	2019 £	2018 £
Deferred Income		
Deferred income at 1 September 2018	267,221	61,401
Resources deferred during the year	278,755	267,221
Amounts released from previous periods	(267,221)	(61,401)
	278,755	267,221

At the balance sheet date the Academy Trust was holding funds received in advance of the 2019-20 academic year in respect of educational visits and UIFSM funding.

17. Prior year adjustments

A prior year adjustment has been made to the financial statements to incorporate fixed assets inherited at conversion as at 1 May 2018 from the Local Authority in respect of tangible fixed assets at Sacred Heart Primary School.

The net book value of assets inherited amounted to £231,149, with subsequent depreciation charged for the period from conversion to the year end amounts to £34,897, being a net impact on retained earnings of £196,252, restating carried forward funds for the year ended 31 August 2019 from £1,872,370 to £2,068,622.

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

18. Statement of funds

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General Funds - all funds	1,237,830	1,440,471	(243,101)	-	-	2,435,200
Restricted general funds						
General Annual Grant (GAG)	-	14,024,946	(14,024,946)	-	-	-
Pupil Premium	-	579,915	(579,915)	-	-	-
Other DfE/ESFA	-	787,437	(209,301)	-	-	578,136
Local Authority Grants	-	367,479	(367,479)	-	-	-
Other income	-	430,123	(430,123)	-	-	-
Donation in Kind	2,125,000	3,301,000	(1,357,000)	-	-	4,069,000
Pension reserve	(2,983,000)	(2,528,000)	(744,000)	-	(1,074,000)	(7,329,000)
	(858,000)	16,962,900	(17,712,764)	-	(1,074,000)	(2,681,864)
Restricted fixed asset funds						
NBV of Fixed Assets	1,365,805	-	(85,248)	2,357,737	-	3,638,294
Capital Grants	322,987	3,120,511	(1,049,069)	(2,357,737)	-	36,692
	1,688,792	3,120,511	(1,134,317)	-	-	3,674,986
Total Restricted funds	830,792	20,083,411	(18,847,081)	-	(1,074,000)	993,122
Total funds	2,068,622	21,523,882	(19,090,182)	-	(1,074,000)	3,428,322

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

The General Fund has been created to recognise the incoming and outgoing resources in respect of activities undertaken by the Academy Trust which fall outside the scope of its core activities.

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18. Statement of funds (continued)

The General Annual Grant (GAG) represents the core funding for the educational activities of the school that has been provided to the Academy Trust via the Education and Skills Funding Agency by the Department for Education. The GAG fund has been set up because the GAG must be used for the normal running costs of the Academy Trust.

The Pupil Premium fund represents the restricted funding from the Education and Skills Funding Agency to raise the attainment of disadvantaged pupils and close the gap between them and their peers.

The Local Authority revenue grants fund relates to the income received from Essex County Council as a contribution towards the cost of the Academy Trust's revenue expenditure.

The Other Government Grants fund relates to grants from Government bodies other than the DfE/ESFA and Local Authorities that fall outside the scope of core funding.

The Other Educational income fund relates to all other restricted funding that cannot be classified above but fall outside the scope of its core activities.

The LGPS deficit (pension reserve) fund has been created to separately identify the pension deficit inherited from the Local Authority upon conversion to Academy Trust status, and through which all the pension scheme movements are recognised.

The NBV of Fixed Assets fund has been set up to recognise the tangible assets held by the Academy Trust and is equivalent to the net book value of tangible fixed assets. Depreciation of tangible fixed assets is allocated to this fund.

The DfE/ESFA Capital grants fund relates to capital grants received for the purpose of the acquisition of tangible fixed assets. As tangible fixed assets are purchased, a transfer is made to the NBV of Fixed Assets fund. Expenditure relates to capital expenditure made from this fund but where not capitalised.

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

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

18. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2019 were allocated as follows:

	2019 £	As restated 2018 £
St Thomas More High School	994,106	664,432
Our Lady of Lourdes Catholic Primary School	242,371	270,347
Sacred Heart Catholic Primary School	553,569	303,051
Holy Family Catholic Primary School	66,567	-
Our Lady of Ransom Catholic Primary School	88,936	-
St George's Catholic Primary School	223,661	-
St Joseph's Catholic Primary School	167,296	-
St Helen's Catholic Primary School	205,961	-
St Teresa's Catholic Primary School	24,541	-
Assisi Catholic Trust	446,328	-
Donation in Kind fund	4,069,000	2,125,000
Total before fixed asset funds	7,082,336	3,362,830
Restricted fixed asset fund	3,674,986	1,688,792
Pension reserve	(7,329,000)	(2,983,000)
Total	3,428,322	2,068,622

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

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2019 £
St Thomas More High School	3,387,425	1,483,404	340,259	1,194,451	6,405,539
Our Lady of Lourdes Catholic Primary School	1,073,065	378,612	76,083	448,067	1,975,827
Sacred heart Catholic Primary School	860,022	611,719	49,968	402,140	1,923,849
Holy Family Catholic Primary School	492,737	418,196	27,596	241,756	1,180,285
Our Lady of Ransom Catholic Primary School	844,552	509,842	105,151	472,483	1,932,028
St George's Catholic Primary School	495,056	349,157	32,063	221,830	1,098,106
St Joseph's Catholic Primary School	484,539	330,724	26,506	409,306	1,251,075
St Helen's Catholic Primary School	729,750	654,516	30,384	340,039	1,754,689
St Teresa's Catholic Primary School	493,285	326,799	39,348	256,751	1,116,183
Assisi Catholic Trust	12,891	162,568	-	191,894	367,353
Academy Trust	8,873,322	5,225,537	727,358	4,178,717	19,004,934

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

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

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Unrestricted funds						
General Funds	1,119,677	571,438	(453,285)	-	-	1,237,830
Restricted general funds						
Donation in Kind	1,220,000	905,000	-	-	-	2,125,000
General Annual Grant (GAG)	-	5,857,752	(5,857,752)	-	-	-
Pupil Premium	-	129,949	(129,949)	-	-	-
Other DfE/ESFA	-	311,154	(311,154)	-	-	-
Local Authority grants	-	87,133	(87,133)	-	-	-
Other income	-	742,473	(742,473)	-	-	-
Pension reserve	(2,164,000)	(1,146,000)	(221,000)	-	548,000	(2,983,000)
	<u>(944,000)</u>	<u>6,887,461</u>	<u>(7,349,461)</u>	<u>-</u>	<u>548,000</u>	<u>(858,000)</u>
Restricted fixed asset funds						
NBV of Fixed Assets	96,431	-	(110,303)	1,379,677	-	1,365,805
Capital Grants	-	1,702,664	-	(1,379,677)	-	322,987
	<u>96,431</u>	<u>1,702,664</u>	<u>(110,303)</u>	<u>-</u>	<u>-</u>	<u>1,688,792</u>
Total Restricted funds	<u>(847,569)</u>	<u>8,590,125</u>	<u>(7,459,764)</u>	<u>-</u>	<u>548,000</u>	<u>830,792</u>
Total funds	<u>272,108</u>	<u>9,161,563</u>	<u>(7,913,049)</u>	<u>-</u>	<u>548,000</u>	<u>2,068,622</u>

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NOTES TO THE FINANCIAL STATEMENTS
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19. 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	-	-	3,638,294	3,638,294
Debtors due after more than one year	-	4,069,000	-	4,069,000
Current assets	2,435,200	1,393,706	36,692	3,865,598
Creditors due within one year	-	(815,570)	-	(815,570)
Provisions for liabilities and charges	-	(7,329,000)	-	(7,329,000)
Total	2,435,200	(2,681,864)	3,674,986	3,428,322

Analysis of net assets between funds - prior year

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	1,365,805	1,365,805
Debtors due after more than one year	-	2,125,000	-	2,125,000
Current assets	1,984,023	-	322,987	2,307,010
Creditors due within one year	(746,193)	-	-	(746,193)
Provisions for liabilities and charges	-	(2,983,000)	-	(2,983,000)
Total	1,237,830	(858,000)	1,688,792	2,068,622

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NOTES TO THE FINANCIAL STATEMENTS
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20. Reconciliation of net income to net cash flow from operating activities

	2019 £	As restated 2018 £
Net income for the year (as per Statement of Financial Activities)	2,433,700	1,248,514
Adjustments for:		
Depreciation	85,248	110,303
Interest receivable	(5,581)	(2,416)
Increase in debtors	(1,768,903)	(1,245,454)
Increase in creditors	69,377	426,684
Capital grants from DfE and other capital income	(3,120,511)	(1,471,515)
Defined benefit pension scheme costs less contributions payable	611,000	156,000
Defined benefit pension scheme finance cost	133,000	65,000
Net cash used in operating activities	(1,562,670)	(712,884)

21. Cash flows from investing activities

	2019 £	As restated 2018 £
Dividends, interest and rents from investments	5,581	2,416
Purchase of tangible fixed assets	(2,357,737)	(1,379,677)
Capital grants from DfE Group	3,120,511	1,471,515
Defined benefit pension scheme obligation inherited	2,528,000	1,146,000
Net cash provided by investing activities	3,296,355	1,240,254

22. Analysis of cash and cash equivalents

	2019 £	2018 £
Cash in hand	3,610,427	1,876,742
Total cash and cash equivalents	3,610,427	1,876,742

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NOTES TO THE FINANCIAL STATEMENTS
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23. Conversion to an academy trust

On 1 September 2018, Our Lady of Ransom Catholic Primary School, St George's Catholic Primary School, St Helen's Catholic Primary School, St Joseph's Catholic Primary School, Holy Family Catholic Primary School and St Teresa's Catholic Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Assisi Catholic Trust from the local authority for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate heading with a corresponding net amount recognised as a net loss in the Statement of Financial Activities as Expenditure on Charitable activities - transfer from local authority on conversion.

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

	Unrestricted funds £	Restricted funds £	Total funds £
Current assets			
Cash - representing budget surplus on LA funds	759,932	-	759,932
Non-current liabilities			
LGPS Pension deficit liability	-	(2,528,000)	(2,528,000)
Net assets/(liabilities)	<u>759,932</u>	<u>(2,528,000)</u>	<u>(1,768,068)</u>

24. Pension commitments

The Academy Trust'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 Essex County Council. 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.

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

24. 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 year amounted to £1,097,298 (2018 - £601,047).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £880,000 (2018 - £291,000), of which employer's contributions totalled £709,000 (2018 - £234,000) and employees' contributions totalled £ 171,000 (2018 - £57,000). The agreed contribution rates for future years are 12.5 per cent for employers and 5.5 to 7.5 per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of 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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24. Pension commitments (continued)

Principal actuarial assumptions

	2019	2018
	%	%
Rate of increase in salaries	3.70	3.80
Rate of increase for pensions in payment/inflation	2.20	2.30
Discount rate for scheme liabilities	1.85	2.65
Inflation assumption (CPI)	2.20	2.30
Inflation assumption (RPI)	3.20	3.30

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	21.3	22.3
Females	23.6	24.8
<i>Retiring in 20 years</i>		
Males	23.0	24.5
Females	25.4	27.1

Sensitivity analysis

	2019	2018
	£000	£000
Discount rate +0.1%	(174,000)	(152,000)
Discount rate -0.1%	179,000	155,000
Mortality assumption - 1 year increase	300,000	224,000
Mortality assumption - 1 year decrease	(289,000)	(215,000)

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

The Academy Trust's share of the assets in the scheme was:

	At 31 August 2019 £	At 31 August 2018 £
Equities	4,298,000	2,081,000
Gilts	376,000	175,000
Other bonds	384,000	191,000
Property	543,000	292,000
Cash and other liquid assets	199,000	112,000
Alternative assets	666,000	294,000
Other managed funds	350,000	125,000
Total market value of assets	6,816,000	3,270,000

The actual return on scheme assets was £493,000 (2018 - £384,000).

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

	2019 £	2018 £
Current service cost	(1,171,000)	(390,000)
Past service cost	(150,000)	-
Interest income	159,000	60,000
Interest cost	(292,000)	(125,000)
Total amount recognised in the Statement of Financial Activities	(1,454,000)	(455,000)

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

24. Pension commitments (continued)

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

	2019 £	2018 £
At 1 September	6,253,000	4,107,000
Conversion of academy trusts	4,816,000	2,073,000
Current service cost	1,171,000	390,000
Interest cost	292,000	125,000
Employee contributions	171,000	57,000
Benefits paid	(115,000)	(33,000)
Past service costs	150,000	-
Actuarial losses/(gains)	1,408,000	(466,000)
At 31 August	14,146,000	6,253,000

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

	2019 £	2018 £
At 1 September	3,270,000	1,943,000
Conversion of academy trusts	2,288,000	927,000
Interest income	159,000	60,000
Employer contributions	710,000	234,000
Employee contributions	171,000	57,000
Benefits paid	(115,000)	(33,000)
Actuarial losses	333,000	82,000
At 31 August	6,816,000	3,270,000

25. Operating lease commitments

At 31 August 2019 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	14,573	10,569
Later than 1 year and not later than 5 years	37,425	38,976
	51,998	49,545

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NOTES TO THE FINANCIAL STATEMENTS
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26. 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.

27. Related party transactions

Owing to the nature of the Academy Trust'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 Trustees have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

During the year the following related party transactions took place:

Transactions relating to Mr G Prior, a member of key management personnel in the year:

The Academy Trust made payments of £7,870 to Education Management Support Limited, in which Mr Prior was a Director for the provision of consultancy services. There were no amounts outstanding as at 31 August 2019. The Academy Trust made the purchases at arm's length for which Board approval was sought. Mr Prior did not participate in the approval process. In entering in to the transaction the Academy Trust has complied with the requirement of the Academies Financial Handbook.

Transactions relating to Mr J Parsad, a Trustee of Assisi Catholic Trust in the year:

The Academy Trust made payments of £2,550 to JADA Education Limited, in which Mr Parsad's daughter is a Director, for the provision of drama services. There were no amounts outstanding as at 31 August 2019. The Academy Trust made the purchases at arm's length for which Board approval was sought. Mr Parsad did not participate in the approval process. In entering in to the transaction the Academy Trust has complied with the requirement of the Academies Financial Handbook.

The spouse of one of the Trustees received remuneration of £45,900 in the year ended 31 August 2019. Their remuneration is based on an annual salary review process, in which the related Trustee is not involved.

28. Agency arrangements

The Academy Trust administers the distributions of the discretionary support for learners, 16-19 Bursary Funds, on behalf of the ESFA during the year. The Academy Trust received £12,087 (2018 - £11,480) and disbursed £12,087 (2018 - £11,480). £Nil (2018 - £Nil) was retained to cover administration expenses and therefore a balance of £Nil (2018 - £Nil) was owed to the ESFA as at the balance sheet date.

29. Controlling party

The Academy Trust is under the control of the Brentwood Diocesan Bishop.

