

**St Francis of Assisi
Catholic Academy Trust**

**Annual Report and Financial
Statements**

31 August 2022

Company Limited by Guarantee
Registration Number
13393349 (England and Wales)

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Reference and administrative information

Members	Cardinal V Nichols (appointed 13 May 2021) M Dunne (appointed 13 May 2021) P Camoletto (appointed 13 May 2021) P Sweeney (appointed 13 May 2021) Westminster Roman Catholic Diocese Trustee (The) (appointed 13 May 2021)
Trustees	G Nicolini (Chair) (appointed 13 May 2021) / (resigned 26 June 2022) Father P Harris (Chair from 5 July 2022) (appointed 13 May 2021) C Company (Vice Chair) (appointed 13 May 2021) / (resigned 18 November 2022) L Willis (appointed 13 May 2021) D Timpson (appointed 13 May 2021) / (resigned 2 November 2021) G Hacksley (appointed 13 May 2021) / (resigned 31 August 2022) C Long (appointed 20 January 2022) / (resigned 20 November 2022) M James (appointed 1 February 2022) N Flatley (appointed 14 November 2022)
Company Secretary	R Faulkner (appointed 10 November 2021)
Senior Management Team	
Accounting Officer	A J Celano
Chief Operations Officer	J Durham
Chief Financial Officer	A P Howard
Registered address	C/O St Mary's Catholic School Windhill Bishop's Stortford Herts CM23 2NQ
Company registration number	13393349
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL

Reference and administrative information

Bankers Lloyds Bank
39 Threadneedle Street
London
EC2R 8AU

Solicitors Browne Jacobson
15th Floor
6 Bevis Marks
London
EC3A 7BA

The Trustees of St Francis of Assisi Catholic Academy Trust ('the Academy') present their Annual Report together with the financial statements and Auditor's Report of the Charitable Company for the period from incorporation on 13 May 2021 to 31 August 2022. The Academy commenced trading on 1 September 2021. The Annual Report serves the purposes of both a Trustees' Report and a Directors' Report and Strategic Report under company law.

The financial statements have been prepared in accordance with the accounting policies set out on pages 31 to 34 of the attached financial statements and comply with the Academy Trust's memorandum and articles of association, applicable laws and the requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities" ('SORP').

Introduction

The Trust is a family of Schools based in vibrant and diverse communities across Hertfordshire. The Trust's Mission statement is "Inspired by the teachings of Christ and the example of St Francis, we strive for excellence, cherishing every child in our care as a unique thumbprint of God, enabling all to realise their full potential."

Structure, governance and management

Constitution

The St Francis of Assisi Catholic Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and Articles of Association are the primary governing documents of the Trust. The Trustees of St Francis of Assisi Catholic Academy Trust are also the Directors of the Charitable Company for the purposes of company law. The Charitable Company operates as St Francis of Assisi Catholic Academy Trust. The Charitable Company includes the following Academies:

Academy	Converted on	Joined Trust on	Capacity	Students (Oct 21 Census)
St Mary's Catholic School	1 st September 2021	1 st September 2021	1,151	1,143
St Joseph's Catholic Primary School (Bishop's Stortford)	1 st September 2021	1 st September 2021	420	375
St Joseph's Catholic Primary School (Waltham Cross)	1 st September 2021	1 st September 2021	210	199
St Joseph's Catholic Primary School (Hertford)	1 st September 2021	1 st September 2021	240	198
St Cross Catholic Primary School	1 st September 2021	1 st September 2021	210	207
St Augustine's Catholic primary School	1 st September 2021	1 st September 2021	270	197
Sacred Heart Catholic primary School	1 st September 2021	1 st September 2021	210	198
St Thomas of Canterbury Catholic Primary School	1 st September 2021	1 st September 2021	122	103

Structure, governance and management (continued)

Constitution (continued)

The operation of the Trust's Academies and employment of staff are the responsibility of the Trustees. The Trust retains control of Academy budgets and finances and monitors these through its Trust Board and Sub Committees. Each Academy has a Local Governing Body (LGB) who supports the Trust's Business Committee in the monitoring of their Academy within agreed budgets. Within this Report the term Trustees refers to a member of the Board of Trustees and the term Governor to a member of the LGB.

Details of the Trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on page 1.

Members' liability

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

Trustees' indemnities

The Trust has secured insurance cover through the RPA. The policy protects Trustees, Governors and Officers from claims arising from negligent acts, errors of omissions occurring whilst on Trust business and provides cover up to an unlimited amount. It is not possible to quantify the Trustees, Governors and Officers indemnity elements from the overall cost of the Trust policy.

Method of recruitment and appointment or election of trustees

The arrangements are set out in the Trust's Articles of Association and the Funding Agreement.

Trustees are appointed for a fixed term. The Board of Trustees came into being on 1st September 2021 when the Trust started trading with the conversion of 8 Academies on the same day. The Charitable Company was incorporated on 13 May 2021. The Board of Trustees aim to ensure there is a diverse skill set across the Board with Trustee leads including Safeguarding, Health and Safety, Finance etc. If any skill gaps arise the Board will review and discuss these and aim to fill them in a timely manner.

Policies and procedures adopted for the induction and training of trustees

The Trust is committed to providing adequate opportunities for Trustees and Governors to undertake and receive suitable training to enable them to perform their role efficiently and effectively. To this end the Trust has provided training during the year to the Trustees from Forum Strategy and Buzzacott.

Structure, governance and management (continued)

Policies and procedures adopted for the induction and training of trustees (continued)

The Trust ensures all new Trustees and Governors have an induction programme based on their individual needs, which includes introductory sessions, Academy guidance documentation, training packs and a tour of the schools if required. This process will involve a meeting with the Chair of Trustees or Chair of the LGB as necessary. All Trustees and Governors are provided with a copy of the Academies Trust Handbook plus copies of the policies and procedures including the financial regulations as these are all appropriate to the role they are taking on as Trustee or Governor. The documentation provided will be emphasised towards the committee they are due to sit on and the work they will undertake. All Trustees were provided with safeguarding training and access to Diocesan courses, safer recruitment training and access to the NGA.

Organisational structure

The governance of the Trust is defined in the Memorandum and Articles of Association together with the Funding Agreement with the Department for Education.

The Board of Trustees (and its sub committees) meet at least 6 times annually and is responsible for the strategic direction of the Trust. The Trustees are responsible for setting strategic policy, adopting an annual plan and budget, monitoring of the finances across the Trust and using this monitoring to make major decisions about the direction of the Trust, capital expenditure, senior staff appointments (including executive team) and executive pay.

The Governors within their LGB's which meet at least 3 times annually are responsible for implementing strategic policy, ensuring balanced budgets are set, ensuring capital projects are monitored and undertaking checks to ensure outturns are monitored against budget and actions are put in place if significant variances arise.

The Academy Trust Senior Leadership teams (SLT's) control the Academies at an operational level and will implement Academy specific policies and report these to their LGB. Each SLT and Headteacher is responsible for the day to day operation of their Academy Trust, in particular organising staff resources and students. The Headteachers are responsible for the authorisation of spending in accordance with the agreed spending limits within the financial regulations and agreed budgets and they are also responsible for the appointment of staff, below senior leadership level and they must follow the correct vetting and safeguarding recruitment process at all times.

The Chief Executive and Accounting Officer of the Trust is Andrew Celano who has overall responsibility for the day-to-day financial management and running of the Trust. The Accounting Officer manages the Trust on a daily basis supported by the Executive Team and the Academy Trust Headteachers. This team meet frequently to discuss emerging matters, plan CPD, share good practice, ideas and resources and focus on developing the strategy of the Trust to ensure future development, which is then put forward to the Trust Board as required for approval.

Structure, governance and management (continued)

Arrangements for setting pay and remuneration of key management personnel

The Key Management Personnel for the Trust include the Chief Executive Officer, Chief Financial Officer and Chief Operations Officer (appointed in September 2022). These members of staff make up the Trust Executive team and are whom the Trustees have delegated significant authority and responsibility in the day-to day running of the Trust.

Pay and remuneration of key management personnel is decided by a variety of contributory factors, such as the Trust size, benchmarking data and level of experience for each staff member. In addition to this, pay levels may be set based on nationally agreed pay awards, the ability to recruit and retain the post. All of these factors are in accordance with the Trust's Executive Pay Policy which is compliant with the Academies Handbook guidance on Executive Pay.

All amendments to key management pay and remuneration is approved by the appropriate committee (Trust Board of Sub-Committee) and ratified by the Board of Trustees.

Trade union facility time

The Trust has two employees that are trade union representatives. Costs incurred for the Trust in relation to these employees during the year was £nil.

Related Parties and other Connected Charities and Organisations

Owing to the nature of the Trust's operations and the composition of the Board of Trustees and LGB's being drawn from local public and private sector organisations and people from the local area, it is inevitable that from time to time transactions will take place with organisations in which a Trustee or a Governor may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and the Academies Trust Handbook. Any transaction where the Trustee or Governor may have a pecuniary interest is only undertaken in accordance with the 'at cost' principle described in the Academies Trust handbook. Including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required.

The Trust did not cooperate with any related party, except the Diocese of Westminster, during the academic year in pursuit of its charitable activities and the Trust does not have a formal sponsor.

Engagement with employees (including disabled persons)

Applications for employment made by disabled persons are given full and fair consideration for all vacancies in accordance with their particular aptitude and skill set. In the event of employees becoming disabled then every effort is made by the Trust to accommodate them and retrain them if required in order that their employment within the Trust may continue.

Structure, governance and management (continued)

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

The Trustees have implemented clear policies and procedures for dealing fairly with suppliers. Formal purchase orders are placed and agreed payment terms are adhered to. If any disputes arise with suppliers, clear communication channels are followed and disputes are discussed and resolved in a timely manner.

The Trustees consider pupils and parents to be their “customers”. Whilst pupils encounter engagement on a daily basis, engagement with parents is carried out through regular newsletters.

Objectives and activities

Objects and aims

The Core Mission for the Trust is “Inspired by the teachings of Christ and the example of St Francis, we strive for excellence, cherishing every child in our care as a unique thumbprint of God, enabling all to realise their full potential.”

The Strategic plan for the Trust is “to enable and invest in an organisation which is always improving the quality of what we do; delivering the highest quality Catholic Education for generations to come”. Our Trust is blessed with effective and committed Academy Trust leadership, where focussed and challenging local governance is provided for each Academy by the Local Governing Bodies on behalf of the Trust Board. Our Trust values the scrutiny of local governance and trust directors to support and challenge our leaders to deliver the best quality of educational provision and pupil outcomes. Through planned investment and central functions, Academy Trust leaders and Local Governing Bodies will be increasingly liberated to focus on the true heartbeat of each school: the pupils, parents and staff.

The Vision for the Trust is “The very best possible Catholic education, now and for generations to come”.

The Trust's main key performance indicators for pupil outcomes are as follows:

- ◆ Section 48 inspection reports
- ◆ End of year statutory tests for KS1 and KS2
- ◆ Phonics check in Year 1
- ◆ End of KS4 GCSE outcomes
- ◆ End of KS5 A Level/vocational outcomes
- ◆ Positive HiP reviews
- ◆ Reports from any external review
- ◆ Ofsted grading

Objectives and activities (continued)

Objectives, strategies and activities

During the year the Trust has worked towards these aims and has achieved the following:

- ◆ Benefits for the children through our paired Trust projects:
 - ◇ Chaplaincy, including greater cohesion between school chaplaincy teams, connecting pupils across the schools to encourage their faith journey and service, creating a Trust prayer, holding Trust-wide chaplaincy liturgy, and the pupil design (competition) of St. Francis chaplaincy badge.
 - ◇ Subject Leadership, including developing the effectiveness of curriculum and subject leadership in our schools through creating networks, collaboration and sharing of schemes and best practice, as well as monitoring, mapping and assessment.
 - ◇ EYFS, including evaluation of the Early Years Curriculum and approach, spring term focus on early reading and phonics resourcing and approach, shared phonics purchasing, moderation & sharing good practice.
 - ◇ Catholic Life, including the creation of a pupil designed Stations of the Cross booklet – one given to each child & family, designing & readying of the Franciscan Values Award for Early Years to Year 13 to launch in Sept 22.
- ◆ Full time availability and support of CFO on financial monitoring, budget setting, financial procedures.
- ◆ Weekly Trust workshops & bulletins, peer to peer support, & free weekly training for finance colleagues.
- ◆ Dedicated help for Heads on a range of financial matters.
- ◆ Two in-school support and compliance visits from Health and Safety experts at HCC, along with free support and advice from building consultants on matters arising and Headteacher support for interim risk control.
- ◆ Emergency support for a school with a serious critical incident.
- ◆ In-school visits from the Health and Safety Director.
- ◆ Health and Safety governor training.
- ◆ Support with GIAS and governance registration.
- ◆ In-school support, OFSTED prep and monitoring of Safeguarding governance from the Safeguarding Director.
- ◆ Monitoring of Safeguarding operation peer review.

Objectives and activities (continued)

Objectives, strategies and activities (continued)

- ◆ All internal and external audit fees covered, and all audit arrangements made with training given.
- ◆ Creation of a Trust-wide Headteacher-designed Headteacher Report, streamlining reporting across the Trust and enabling Trust Reports and school to school support to be brokered.
- ◆ School to school support and sharing of best practice in EYFS, ECT visits and shared support, writing moderation, expectations on environment, schemes of work.
- ◆ Supporting 'advert to appointment' for two local boards appointing Headteachers.
- ◆ Headteacher support on a range of matters, incl. exclusions, behaviour, complaints & absence management.
- ◆ Headteacher wellbeing – conference, mini-retreat, a headteacher lunch, & regular team time off site to plan & share.
- ◆ Supporting local Chairs with various procedures from allegations against staff to formal complaints.
- ◆ Sharing of wellbeing strategies between schools.
- ◆ Termly newsletter communicating Trust work and developments in schools.
- ◆ Creation of centralised Trust policies saving Heads and Boards creation and meeting time, incl. Admissions, Child Protection, H&S, Fire Aid, Discipline, Grievance, Complaints, Whistleblowing, Trips, Code of Conduct, Risk Management, Assets, Lettings, Visitors, Critical Incident, Financial Procedures, Recruitment, Flexible Working etc. (will include SEN & Pay by the end of the term).
- ◆ Helping each school produce or update Risk Registers.
- ◆ Post CIF bid support on appeals and interim measures.
- ◆ Website audit and compliance checks.
- ◆ Savings across the Trust on conversion grants, photocopier contract, Sims, staff absence insurance.

The list above captures a many of the areas where the Trust has worked towards the key objectives.

Public benefit

The Trustees believe that by working towards the aims of the Trust as detailed above, they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

Strategic Report

Achievements and Performance

Key Headlines:

- ◆ Reading at KS1 was strong across the Trust with 5 of our schools exceeding the national average for EXS+ and 3 schools significantly above the national figures for GDS
- ◆ 6 schools exceeded the 76% Herts average for Phonics
- ◆ Reading at KS2 is a particular strength of the Trust with 6 schools exceeding the national average of 74%
- ◆ Despite the national trend of a decline in Writing standards at KS2, 6 Trust schools met or exceeded the national average (69%) for Writing at EXS+
- ◆ Attainment in maths at KS2 is a strength in all Trust schools, with the majority achieving at or above the national average of 71% for EXS+
- ◆ At KS4, the provisional P8 figure is +0.31, well above the average national score of -0.03
- ◆ Significantly positive progress of English (+0.35) at KS4
- ◆ Very positive progress at KS4 in Art, Biology, Catering, Chemistry, Drama, English Language, English Literature, Geography, Music, Physics, Religious Studies, Technology and Science
- ◆ Average grade of B- attained for the KS5 A Level cohort with some particularly excellent progress scores in Art, Computing, English Language and Italian

Data across the Trust is shared with Headteachers who work as Trust Leaders to identify opportunities for school improvement partnership work.

There were no Section 48 or Ofsted inspections during the year, but all schools remain either outstanding or good. We continue to monitor our schools through:

- ◆ Regular academic monitoring of pupil progress and attainment
- ◆ Oversight of how senior teams and Headteachers report to their governing bodies
- ◆ Trust Education Committee meetings
- ◆ Trust Executive meetings
- ◆ Trust Executive and Headteacher meetings
- ◆ Headteacher Working Parties
- ◆ Individual meetings with LGBs as required

Strategic Report (continued)

Achievements and Performance (continued)

The Trust's main key financial performance indicators are as follows:

- ◆ Pupil numbers - total pupil numbers in the October census were 2,620.
- ◆ Another financial key performance indicator is the staffing costs as a percentage of the total income. For 2021-2022, this was 83.8%.

The Directors are confident that staffing levels are closely monitored to agreed FTEs and staffing structures are all approved by the Board of Directors.

During the year there was a fire at Sacred Heart Catholic Primary School which required significant reinstatement works to be undertaken. The event was covered by the Trust's insurers who are the RPA. The RPA have assisted with the reinstatement works since October 2021 and this work is due for completion in December 2022. The reinstatement works undertaken in 21-22 and those being finalised are covered under the RPA policy.

Key Performance Indicators

The Trust Board receive regular financial information at each Trust Business Committee meeting (previously Admissions, Finance, Risk and Audit Committee) to enable them to monitor the performance of the Trust compared to its aims, strategies and financial budgets.

The key performance indicators for the Trust are as follows:

- ◆ Reserves as a percentage of total income
- ◆ Staff costs as a % of total income
- ◆ Average teacher cost
- ◆ Pupil/teacher ratio
- ◆ Pupil/adult ratio
- ◆ Income per pupil

These key performance indicators are included on the monthly management accounts prepared by the CFO and benchmarking is undertaken across the Trust to highlight any outliers so they are identified in an efficient timeframe.

Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the 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.

Strategic Report (continued)

Financial review

The principal source of funding for the Trust is the General Annual Grant (GAG) and other grants that it receives from the Education and Skills Funding Agency (ESFA). For the year ended 31 August 2022 the Trust received £15,603k of GAG and other restricted funding (including capital funding). A high percentage of this income is spent on wages and salaries and support costs to deliver the Trust's primary objective of the provision of education. During the year the Trust spent £16,232 (including capital). The Trust brought forward £NIL from 20/21 due to converting on 1 September 2021. The carry forward for 21/22 is £NIL restricted funding and £2,386,000 unrestricted funding.

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Trust is recognising a significant pension fund deficit of £1,010,000. This does not mean that an immediate liability for this amount crystallises and such a deficit general results in a cash flow effect in the form of increased employer contributions over a number of years.

Reserves policy

The Trustees are aware of the requirement to balance current and future needs and always aim to set a balanced budget with annual income balancing annual expenditure with the use of brought forward unspent reserves if required in times of economic difficulty. The Trustees monitor estimated year end reserve carry forward figures via the monthly management reports prepared by the Chief Financial Officer. The budget plan identified how any carry forward reserves will be used in future years and a three year budget plan is monitored and updated on a regular basis.

The Trusts current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £2,386,000. This has been built up from a mixture of locally raised income, balances transferred on conversion on 1 September 2022 and government grants.

The Trust's balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds at 31 August 2022 was £2,386,000.

The cash balance of the Trust has been very healthy all year, ending with a balance of £3,438k. A proportion of this cash is designated for specific future projects.

Investment policy

The aim of the policy is to ensure funds that the Trust does not immediately need to cover anticipated expenditure are invested to maximise its income but with minimal risk. The Trustees do not consider the investment of surplus funds as a primary activity but rather, as good stewardship and as and when circumstances allow. The central finance function coordinates this activity with all Schools in the Trust. At 31 August 2022 the Trust holds no investments and all funds held within the Trust are held in bank accounts.

Strategic Report (continued)

Principal risks and uncertainties

The Trust maintains a central Risk Register and each Academy also has their own Risk Register that feeds into the central Register. The Trust Risk Register identifies the major risks that the Trust is exposed to and it reviews the likelihood of each risk and outlines mitigations that are in place to ensure risks are managed correctly. The Risk Register is approved by the Trust Board and monitored by the Trust Business Committee. A formal review process is undertaken annually and risks are also amended on a regular basis in light of events that affect the likelihood or impact of a risk. The principal risks facing the Trust are outlined below.

- ◆ Risk of falling pupil numbers on roll as a result of baptisms in the catchment area which would have a knock-on effect to future income streams from the government.
- ◆ Risk that future budgets will occur in year deficits due to the current economic constraints on the education sector as a whole with increased utility costs and unfunded pay rises within the sector.

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

As a Trust made up of 8 individual Academies, the level of financial risk is low. This is due to the fact that cash flow can be reliably forecast, monitored and reported as income is mainly due from the government and follows a regular pattern and expenditure is made up mainly of payroll costs.

The Trust has aimed to strengthen the risk management process during the year and has actively ensured risks are updated on a regular basis where required and mitigations have been discussed and implemented.

Fundraising

The Trust only held minor fundraising events during the year which were all organised at school level. These events included, non-uniform Fridays, charity weeks and charity days. The Trust plans to hold fundraising for one joint charity during lent in the 22-23 financial year.

The Trust has not used external fundraisers during the year and has not received any complaints in respect of fundraising.

Plans for future periods

The Trust has grown considerably during the year by converting 8 Academies on 1 September 2021 however it will continue to strive to improve the performance of its students at all levels and will strive to ensure students continue to learn the catholic ethos in a caring and spiritual environment.

The Trust plans to undertake joint procurement across the Trust to improve the quality of education at a lower per pupil cost.

Plans for future periods (continued)

The Trust will continue to proactively review its estates and look into options for future site development and renovations to improve the land and buildings that the students learn in every day. This will ensure the facilities and learning environments for the Trust's pupil are enhanced where possible.

The Trust will look to navigate the difficult financial economic situation that is currently facing schools nationwide by each Academy supporting each other financially and ensuring best value for money is considered at all times to ensure the Trust and its Academies continues to have strong reserves to reinvest into the education of its students.

The Trust plans to increase its board size by at least 3 Trustees in the Autumn term which will allow the Trust Business Committee (Formerly Admissions, Finance, Risk and Audit Committee) and the newly formed Trust Education Committee to consist of an equal number of Directors where Business and Education agendas can be focussed on to improve these areas across the Trust.

Funds held as custodian trustee on behalf of others

The Trust acts as an agent in distributing 16-19 Bursary Funds received from the ESFA. Funds are distributed from the 16-19 bursary in line with the guidance set by the ESFA.

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.

The Trustees' Report, incorporating a Strategic Report, was approved by order of the Board of Trustees, as the company directors, on 28 November 2022 and signed on the Board's behalf by:



Father Peter Harris
Chair of Trustees

28 November 2022

Scope of responsibility

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

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance. The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between St Francis of Assisi Catholic Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 11 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Director	Meetings attended	Out of a possible
Gaspere Nicolini	8	9
Cate Campany	10	11
Lavinia Willis	10	11
Father Peter Harris	8	11
David Timpson	2	2
Gregory Hacksley	9	11
Chris Long	7	7
Mary James	7	7
Andrew Celano	11	11

Governance Reviews

The Trust plans to undertake a Governance Review in the Autumn term to ensure Governance is reviewed in detail across the Trust.

The Composition and Governance structure of the Board was considered prior to conversion process and was formed when the Trust was incorporated on 13th May 2021. Consideration of the Board's Composition and Governance structure followed the outline of the Diocesan CAT Strategy, with a clear decision for a Finance and Risk sub-committee to consider and manage those associated risks. Skills matrices were completed by the Trustees in 21-22 and these were considered by the initial Chair and Vice Chair of the Trust Board.

The Trust Business Committee (formerly Admissions, Finance, Risk and Audit Committee) is a sub-committee of the main Board of Trustees. Its purpose is to:

Governance Reviews (continued)

- ◆ Assist the Board of Trustees with decision making by providing detailed reports and undertaking detailed consideration to be given to the best means of fulfilling the Board of Trustees' responsibility to ensure sound management of the Trust's finances and resources including proper planning, and monitoring;
- ◆ Make appropriate comments and recommendations on all matters covered in the terms of reference from the Committee to the Board of Trustees on a regular basis. Any major financial and business issues are to be referred to the Board immediately and all decisions made by the Committee must be made in line with the Schedule of Financial Delegation and per the Academies Trust Handbook; and
- ◆ Undertake detailed work and hold detailed discussions on financial and business activities to ensure the Trust is performing in line with the Academies Trust Handbook at all time.

Attendance at meetings in the year was as follows:

Director	Meetings attended	Out of a possible
Gaspare Nicolini	6	6
Cate Company	7	7
Lavinia Willis	7	7
Father Peter Harris	3	7
David Timpson	0	1
Gregory Hacksley	6	7
Chris Long	4	4
Mary James	4	4
Andrew Celano	7	7

Review of value for money

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

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data or by using a framework where appropriate. The Accounting Officer for the Trust has delivered improved value for money during the year by:

- ◆ Ensuring improved rigour of School to School collaboration to deliver higher-quality School Improvement and School Development work.
- ◆ Working with all Headteachers to formulate a package of Trust Core Functions which aim to improve the value and effectiveness of spending on all School Improvement activities.
- ◆ Initial financial procurement advantages include:

Review of value for money (continued)

- ◇ 50% discount on original Sims package resulting in a saving of £9,500.
- ◇ Savings on photocopier contracts.
- ◇ Procuring school absence insurance as a joint procurement exercise which ensured discounts were obtained. Saving on this contract was £16,500 across the Trust.
- ◇ Conversion grant savings of £12,475 on average per Academy.
- ◇ Implementation of one Finance system across the Trust, which enable financial data to be reviewed more efficiently and effectively.

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 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 The Trust for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Trust is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that has been in place for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the Annual Report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

- ◆ Comprehensive budgeting and monitoring systems with an annual budget and 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
- ◆ Identification and management of risks.

The risk and control framework (continued)

The Board of Trustees has decided:

- ◆ To employ Price Bailey LLP as Internal Auditor;

The Internal Auditor's role includes giving advice on financial and other matters and performing a range of checks on the Trust's financial and other systems. In particular, the checks carried out in the current year included:

- ◆ Testing of financial processes including reviews on monthly financial processes; and
- ◆ Testing of budget controls.

On an annual basis, the Auditor reports to the Board of Trustees, through the Trust Business Committee on the operation of the systems of control and on the discharge of the Board of Trustees financial responsibilities. On an annual basis the Auditor prepares a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The Internal Auditor has delivered their schedule of work as planned and there were no material control issues arising as a result of the work.

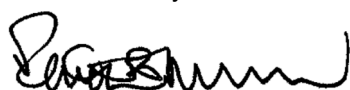
Review of effectiveness

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

- ◆ The work of the Internal Auditor;
- ◆ The financial management and governance self-assessment process or the School Resource Management Self-Assessment Tool (SRMSAT);
- ◆ The work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework;
- ◆ The work of the External Auditor;
- ◆ Correspondence from ESFA e.g. FNtl/Ntl and 'minded to' letters.

The Accounting Officer has been advised of the implications of the result of the Internal Auditor's review of the system of internal control by the CFO and this has been reported to the Trust Business Committee and a plan to address any weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 28 November 2022 and signed on its behalf by:



Father Peter Harris
Chair of Trustees



Andrew Celano
Accounting Officer

Statement on regularity, propriety and compliance 31 August 2022

As accounting officer of St Francis of Assisi Catholic Academy Trust, I have considered my responsibility to notify the Academy Trust board of trustees and the Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

I confirm that I and the Academy Trust board of trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academy Trust Handbook 2021.

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.



Andrew Celano

Accounting Officer

Date: 28 November 2022

Statement of trustees' responsibilities 31 August 2022

The trustees (who act as governors of the Academy Trust and are also the directors of the Academy Trust for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the Annual Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Charities' Statement of Recommended Practice (the Charities' SORP);
- ◆ make judgments and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Academy Trust will continue in operation.

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

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

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

Approved by order of the members of the Board of trustees on 28 November 2022 and signed on its behalf by:



Father Peter Harris
Chair of trustees

Independent auditor's report on the financial statements to the Members of St Francis of Assisi Catholic Academy Trust

We have audited the financial statements of St Francis of Assisi Catholic Academy Trust ("the charitable company") for the period ended 31 August 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), 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) (the Charities SORP 2019) and the Academies Accounts Direction 2021 to 2022.

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 and of its income and expenditure, for the period then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006; and
- ◆ have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2021 to 2022.

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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- ◆ the information given in the trustees' report, which is also the directors' report for the purposes of company law and includes the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the trustees' report, which is also the directors' report for the purposes of company law and includes the strategic report, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

Responsibilities of trustees

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

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we identified the laws and regulations applicable to the charitable company through discussions with management, and from our knowledge of the academy trust sector;
- ◆ the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit;
- ◆ we considered the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are the Companies Act 2006, the Charities SORP 2019, the Academies Accounts Direction 2021 to 2022, the Academy Trust Handbook 2021, and the academy trust's funding agreement with the ESFA as well as legislation pertaining to safeguarding in the UK;

Auditor's responsibilities for the audit of the financial statements (continued)

- ◆ we understood how the charitable company is complying with those legal and regulatory frameworks by making inquiries to management and those responsible for legal, compliance and governance procedures. We corroborated our inquiries through our review of the minutes of trustees' meetings and papers provided to the trustees; and
- ◆ we planned and carried out a separate limited assurance engagement in respect of regularity, propriety and compliance in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by the ESFA, as set out in our separate independent reporting accountant's assurance report on regularity.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management and those charged with governance as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions;
- ◆ tested the authorisation of expenditure as part of our substantive testing thereon;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- ◆ used data analytics to identify any significant or unusual transactions and identify the rationale for them.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ agreeing financial statement disclosures to underlying supporting documentation;
- ◆ reviewing the minutes of trustees' meetings;
- ◆ enquiring of management and those charged with governance as to actual and potential litigation and claims;
- ◆ reviewing any available correspondence with Ofsted, ESFA and HMRC; and

Auditor's responsibilities for the audit of the financial statements (continued)

- ◆ the work undertaken in relation to the limited assurance engagement in respect of regularity, propriety and compliance in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by the ESFA, as set out in our separate independent reporting accountant's assurance report on regularity.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. International Standards on Auditing also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



14 December 2022

Katharine Patel, Senior Statutory Auditor

for and on behalf of Buzzacott LLP, Statutory Auditor

130 Wood Street

London

EC2V 6DL

Independent reporting auditor's assurance report on regularity to St Francis of Assisi Catholic Academy Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 21 December 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St Francis of Assisi Catholic Academy Trust during the period from 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to St Francis of Assisi Catholic Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the St Francis of Assisi Catholic Academy Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the St Francis of Assisi Catholic Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of St Francis of Assisi Catholic Academy Trust's accounting officer and the reporting auditor

The accounting officer is responsible, under the requirements of St Francis of Assisi Catholic Academy Trust's funding agreement with the Secretary of State for Education dated 25 August 2021 and the Academy Trust Handbook 2021, extant from 1 September 2021, 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 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period from 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2021 to 2022 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

Approach (continued)

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

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

The work undertaken to draw to our conclusion includes:

- ◆ An assessment of the risk of material irregularity and impropriety across all of the Academy Trust's activities;
- ◆ Further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- ◆ Consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period from 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



14 December 2022
Buzzacott LLP
Chartered Accountants
130 Wood Street
London
EC2V 6DL

Statement of financial activities (including income and expenditure account and statement of total recognised gains and losses) 31 August 2022

	Notes	Unrestricted general fund £	Restricted funds		2022 Total funds £
			General £	Fixed assets fund £	
Income and endowments from:					
Donations and capital grants	2	50	218	111	379
. Transfer on conversion	20	1,749	(3,970)	72	(2,149)
Charitable activities:					
. Funding for the Academy Trust's educational operations	4	792	14,866	—	15,658
Other trading activities	3	492	—	—	492
Total		3,083	11,114	183	14,380
Expenditure on:					
Charitable activities:					
Academy Trust educational operations	5	—	16,210	22	16,232
		—	16,210	22	16,232
Net income (expenditure) for the period		3,083	(5,096)	161	(1,852)
Transfers between funds		(697)	395	302	—
Other recognised gains and losses					
Actuarial gains on defined benefit pension scheme	19	—	3,691	—	3,691
Net movement in funds		2,386	(1,010)	463	1,839
Reconciliation of funds					
Total fund balances brought forward at 1 September 2021		—	—	—	—
Total fund balances carried forward at 31 August 2022	16	2,386	(1,010)	463	1,839

All of the Academy Trust's activities derived from continuing operations during the above two financial periods.

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

Balance sheet 31 August 2022

	Notes	2022 £	2022 £
Fixed assets			
Tangible fixed assets	12		<u>433</u>
Current assets			
Debtors	13	725	
Cash at bank and in hand		<u>3,438</u>	
		4,163	
Liabilities			
Creditors: amounts falling due within one year	14	<u>(1,454)</u>	
Net current assets (liabilities)			<u>2,709</u>
Total assets less current liabilities			
			3,142
Creditors: amounts falling due after more than one year	15		(293)
Pension scheme liability	19		(1,010)
Net assets including pension scheme liability			<u>1,839</u>
Funds of the Academy Trust			
Restricted income funds			
. Fixed assets fund	16		463
. Restricted income fund	16		—
. Pension reserve	16		<u>(1,010)</u>
			(547)
Unrestricted income funds			
. General fund	16		2,386
Total funds			<u>1,839</u>

The financial statements on page 28 to 51 were approved by the trustees, and authorised for issue on 28 November 2022 and are signed on their behalf by:



Father Peter Harris
Chair of Trustees



Andrew Celano
Accounting Officer

St Francis of Assisi Catholic Academy Trust
Company Limited by Guarantee
Registration Number: 13393349 (England and Wales)

Cash flow statement 31 August 2022

	Notes	2022 £'000
Cash flows from operating activities		
Net cash provided by (used in) operating activities	A	3,901
Cash flows from financing activities		
	B	(140)
Cash flows from investing activities		
	C	(323)
Change in cash and cash equivalents in the year		3,438
Net funds at 31 August 2022		3,438

A Reconciliation of net (expenditure) to net cash flow from operating activities

	2022 £'000
Net (expenditure) for the reporting period (as per the statement of financial activities)	(1,852)
Adjusted for:	
Inherited pension (surplus)/deficit	3,970
Defined benefit pension scheme costs less contributions payable	661
Defined benefit scheme finance cost	70
Depreciation charges	22
Capital grants from DfE and other capital income	(132)
(Increase) in debtors	(725)
Increase in creditors	1,887
Net cash provided by Operating Activities	3,901

B Cash flows from financing activities

	2022 £'000
Repayment of loans	(140)
Net cash (used in) Financing Activities	(140)

C Cash flows from investing activities

	2022 £'000
Purchase of tangible fixed assets	(455)
Capital grants from DfE/ESFA	132
Net cash provided by / (used in) Operating Activities	(323)

D Analysis of cash and cash equivalents

	2022 £'000
Cash in hand and at bank	3,438
Total cash and cash equivalents	3,438

Basis of preparation

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP'), the Academies Accounts Direction 2021 to 2022 issued by the ESFA and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Incoming resources

All incoming resources are recognised when the Academy Trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

◆ **Grants receivable**

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 year is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund. Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

◆ **Donations**

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

◆ **Other income**

Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent the goods have been provided or on completion of the service.

Incoming resources (continued)

◆ ***Donated services and gifts in kind***

The value of donated services and gifts in kind provided to the Academy Trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the Academy Trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with Academy Trust's policies.

Resources expended

All expenditure is recognised in the year in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

◆ ***Costs of generating funds***

These are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

◆ ***Charitable activities***

These are costs incurred on the Academy Trust's educational operations.

◆ ***Governance costs***

These include the costs attributable to the Academy Trust's compliance with constitutional and statutory requirements, including audit, strategic management and Governor's meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

Tangible fixed assets

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. 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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

Tangible fixed assets (continued)

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost/valuation of each asset on a straight-line basis over its expected useful economic life, as follows:

◆ Leasehold improvements	2% per annum
◆ Furniture and equipment	10% per annum
◆ IT equipment	10%-33% per annum

Depreciation is charged from the month of acquisition.

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

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

Stock

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

Taxation

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

Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 24, the TPS is a multi employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

Pensions benefits (continued)

The LGPS is a funded scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

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 Education and Skills Funding Agency, Department for Education or other funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other grants received from the Education and Skills Funding Agency.

Restricted other funds comprise all other restricted funds received and include grants from the Local Authority, Hertfordshire County Council.

1 General Annual Grant (GAG)

Under the funding agreement with the Secretary of State the Academy Trust was subject to limits at 31 August 2022 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The Academy Trust has not exceeded these limits during the period ended 31 August 2022.

2 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Restricted fixed assets funds £'000	2022 Total funds £'000
Private sponsorship	—	—	107	107
Donated fixed assets	—	—	25	25
Other Donations	50	218	(21)	247
	50	218	111	379

3 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	2022 Total funds £'000
Hire of facilities	55	—	55
Catering income	233	—	233
Miscellaneous income	204	—	204
	492	—	492

4 Funding for Academy Trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Restricted fixed assets funds £'000	2022 Total funds £'000
DfE / ESFA revenue grants				
. General Annual Grant (GAG) (note 1)	—	11,638	—	11,638
Other DfE / ESFA grants				
. UIFSM	—	231	—	231
. Pupil Premium	—	245	—	245
. Others	—	175	—	175
Other DFE Group grants	—	1,253	—	1,253
	—	13,542	—	13,542
Other government grants				
. Local authority grants	—	829	—	829
. Special educational projects	—	38	—	38
	—	867	—	867
Other income from the Academy Trust's educational operations	792	457	—	1,249
	792	14,866	—	15,658

5 Expenditure

	Staff costs £'000	Premises £'000	Other costs £'000	2022 Total funds £'000
Academy Trust's educational operations:				
Direct costs	10,442	22	850	11,314
Allocated support costs	1,615	1,672	1,631	4,918
2022 total funds	12,057	1,694	2,481	16,232

6 Charitable activities – Academy Trust's educational operations

	2022 Total funds £'000
Direct costs - educational operations	11,314
Support costs - educational operations	4,918
	16,232

7 Charitable activities – Academy Trust's educational operations (continued)

Analysis of support costs	2022 Total funds £'000
Support staff costs	1,615
Technology costs	163
Premises costs	1,672
Legal costs - conversion	66
Legal costs - other	28
Other support costs	1,331
Governance costs	43
Total support costs	4,918

8 Staff

(a) Staff costs

Staff costs during the period were:

	2022 Total funds £
Wages and salaries	8,518
Social security costs	815
Pension costs	2,566
	11,899
Supply teacher costs	158
	12,057

(b) Staff numbers

The average numbers of persons (including senior management team) employed by the Academy Trust during the period expressed as a full time equivalents was as follows:

Charitable activities	2022 £
Teachers	155
Administration and support	221
Management	10
	386

8 Staff (continued)

(c) Higher paid staff

The Trust is running a vacancy for the permanent Headteacher at St. Mary's, previously advertised in the bands between £90,000 - £120,000 which falls within the DfE's guidance for a school the size of St. Mary's as per the Group 7 guide in the School Teachers Pay and Conditions Document. Whilst a contracted-in Executive Headteacher is temporarily covering that vacancy, that pay is not shown in the following table as they are not a direct employee of the Trust. Once that post is filled on a permanent basis the table below should show the presence of an additional employee up to the maximum of £120,000. For the year ending August 2022, the number of employees whose emoluments fell within the following bands was:

	2022 No
£60,001 - £70,000	1
£70,001 - £80,000	4
£80,001 - £90,000	2
£120,001 - £130,000	1

All of the above employees participated in the Teachers' Pension Scheme. During the period ended 31 August 2022 pension contributions for these staff amounted to £62,305.

9 Trustees' remuneration and expenses

At present there are no staff trustees. No trustees received any payments, other than expenses, from the Academy Trust in respect of their role as governors. During the year expenses of £59 were reimbursed to trustees.

During the period ended 31 August 2022, no travel and subsistence expenses were reimbursed to any trustees.

Other related party transactions involving the trustees are set out in note 23.

10 Trustees' and Officers' insurance

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides unlimited cover on any one claim and the cost for the period ended 31 August 2022 was £49,885.

11 Central Services

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

- ◆ Human resources;
- ◆ Financial services;
- ◆ Legal services;
- ◆ Educational support services; and
- ◆ IT services.

The central charges for these services on the following basis:

2.5% of School Budget Share and LACSEG income.

The actual amounts charged during the year were as follows:

	2022 £
Sacred Heart	21
St Augustine's	22
St Cross	22
St Joseph (BS)	38
St Joseph (H)	22
St Joseph (WX)	23
St Mary's	126
St Thomas of Canterbury	14
Total	288

12 Tangible fixed assets

	Leasehold land and buildings £	Furniture and equipment £	Computer equipment £	Total funds £
Cost/valuation				
At 1 September 2021	—	—	—	—
Additions	324	110	21	455
At 31 August 2022	324	110	21	455
Depreciation				
At 1 September 2021				
Charge in period	18	2	2	22
At 31 August 2022	18	2	2	22
Net book value				
At 31 August 2022	306	108	19	433

For the purposes of these financial statements, the land and buildings transferred on conversion are not recognised in these financial statements as it is owned by the Diocese of Westminster and is Church Land.

13 Debtors

	2022 £
Trade debtors	6
Prepayments and accrued income	136
VAT Debtor	24
Other debtors	559
	<u>725</u>

14 Creditors: amounts falling due within one year

	2022 £
Trade creditors	282
Taxation and social security	388
Loan	127
Accruals and deferred income	656
	<u>1,454</u>
Deferred income	
Deferred Income at 1 September 2021	—
Resources deferred in the year	252
Deferred Income at 31 August 2022	<u>252</u>

15 Creditors: amounts falling due after more than one year

	2022 £
Loan	293
	<u>293</u>

The loans were taken out from the Diocese of Westminster pre-conversion by St Marys' (Bishops Stortford) and St Joseph's (Bishop's Stortford) to fund capital works. The loans are interest free and unsecured.

	2022 £
Loan maturity	
Debt due in one year or less	127
In more than one year but not more than two years	127
In more than two years but not more than five years	166
After more than five years	—
Total loan balance at 31 August 2022	<u>420</u>

16 Funds

	Balance at 1 September 2021 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted general funds					
. General Annual Grant (GAG)	—	11,638	(12,033)	395	—
<u>Other DfE/ESFA grants</u>					
. UIFSM	—	231	(231)	—	—
. Pupil Premium	—	245	(245)	—	—
. Other grants	—	1,466	(1,466)	—	—
Pension reserve	—	(3,970)	(731)	3,691	(1,010)
	—	9,610	(14,706)	4,086	(1,010)
Other restricted funds					
Local authority grants	—	829	(829)	—	—
Other restricted funds	—	675	(675)	—	—
	—	1,504	(1,504)	—	—
Total restricted funds	—	11,114	(16,210)	4,086	(1,010)
Restricted fixed asset funds					
Transfer on conversion	—	72	—	—	72
DfE/ESFA capital grants	—	107	(22)	—	85
Donated Fixed assets and other capital donations	—	4	—	302	306
	—	183	(22)	302	463
Unrestricted funds					
. General funds	—	3,083	—	(697)	2,386
Total unrestricted funds	—	3,083	—	(697)	2,386
Total funds	—	14,380	(16,232)	3,691	1,839

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

ESFA revenue grant fund and other restricted funds

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2022.

Other funds relate to monies received for specific purposes such as pupil premium funding.

Fixed asset fund

Restricted fixed assets funds were funded by government grants or donations. When capital expenditure is incurred a transfer is made from the fund which funded the acquisition to the restricted fixed asset fund. That asset is then depreciated through the restricted fixed asset fund over the lifetime of that asset.

16 Funds (continued)

Pension reserve

The pension reserve relates to the local government pension scheme liability.

Analysis of fund balance by Academy Trust

	Total 2022 £'000
Sacred Heart	198
St Augustine's	617
St Cross	196
St Joseph (BS)	404
St Joseph (H)	436
St Joseph (WX)	399
St Mary's	120
St Thomas of Canterbury	28
Central trust	(12)
Total before fixed assets and pension reserve	2,387
Restricted fixed asset fund	463
Pension reserve	(1,010)
TOTAL	1,839

	Teaching and educational support staff costs £'000	Other support staff costs £'000	Educational supplies	Other costs (excluding depreciation) £'000	Total 2022 £
Sacred Heart	715	114	24	264	1,117
St Augustine's	893	97	27	257	1,274
St Cross	643	163	32	249	1,087
St Joseph (BS)	1,388	213	85	340	2,026
St Joseph (H)	731	134	40	312	1,217
St Joseph (WX)	856	136	40	251	1,283
St Mary's	4,517	811	278	1,212	6,818
St Thomas of Canterbury	544	101	28	201	874
Central services	—	—	7	506	513
Total net assets	10,287	1,769	561	3,592	16,209

17 Analysis of net assets between funds

	Unrestricted funds £	Restricted General Funds £	Restricted Fixed Asset Fund £	Total 2022 £
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	—	—	433	433
Current assets	2,386	1,747	30	4,163
Current liabilities	—	(1,454)	—	(1,454)
Non-current liabilities	—	(293)	—	(293)
Pension scheme liability	—	(1,010)	—	(1,010)
Total net assets	2,386	(1,010)	463	1,839

18 Capital commitments

	2022 £
Contracted for, but not provided in the financial statements	—

19 Pensions and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS was 31 March 2004 and of the LGPS 31 March 2013.

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

Teachers' Pension Scheme

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

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

19 Pension and similar obligations (continued)

Teachers' Pension Scheme (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 every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the year amounted to £879,000 (2021: £1,056,000).

A copy of the valuation report and supporting documentation is on the [Teachers' Pension Scheme 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 (LGPS)

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2022 was £665,000, of which employer's contributions totalled £530,000 and employees' contributions totalled £165,000. The agreed contribution rates for future years are 22.5% for employers and 5.4% for employees.

19 Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS) (continued)

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

Principal Actuarial Assumptions	At 31 August 2022
Rate of increase in salaries	3.6%
Rate of increase for pensions in payment / inflation	3.2%
Discount rate for scheme liabilities	4.25%
Inflation assumption (CPI)	3.2%

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

	At 31 August 2022
<i>Retiring today</i>	
Males	21.9
Females	24.4
<i>Retiring in 20 years</i>	
Males	22.9
Females	26.0

The Academy Trust's share of the assets and liabilities in the scheme and the expected rates of return were:

	Fair value at 31 August 2022 £
Present value of scheme liabilities	
· Funded	(5,634)
(Deficit) in the scheme	(1,010)

The actual return on scheme assets was 5.5%.

19 Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS) (continued)

Amounts recognised in statement of financial activities	2022 £
Current service costs (net of employee contributions)	661
Total operating charge	661
Analysis of pension finance income / (costs)	
Expected return on pension scheme assets	75
Interest on pension liabilities	(145)
Pension finance (costs)	70

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a gain of £3,691,000.

Movements in the overall deficit were as follows:	2022 £
Deficit at 1 September 2021 (on conversion)	(3,970)
Current service cost	(1,191)
Employer contributions	530
Net finance interest	(70)
Actuarial gains	3,691
At 31 August 2022	(1,010)

Changes in the present value of defined benefit obligations were as follows	2022 £
Deficit at 1 September 2020	(8,219)
Current service costs	(1,191)
Interest costs	(145)
Employee contributions	(135)
Actuarial (gain)	4,056
At 31 August 2022	(5,634)

19 Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS) (continued)

Changes in the fair value of Academy Trust's share of scheme assets:	2022 £
Upon conversion/Fair value of scheme assets at 1 September 2020	4,249
Current service costs	530
Interest costs	75
Employee contributions	135
Actuarial (gain)	(365)
At 31 August 2022	4,624

20 Transfer from Local Authority on conversion

On 1 September 2021, 8 academies joined the MAT. At the date of conversion to Academy Trust status under the Academies Act 2010, the operations and assets and liabilities were transferred to the group for no consideration. 2 of the 8 academies joining the group in the year ended 31 August 2022 included a transfer of assets when joining.

The transfers have been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the Statement of Financial Activities as voluntary income.

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 £'000	Restricted general funds £'000	Restricted fixed asset funds £'000	Total £'000
Budget surplus (deficit) on LA funds	1,750	—	72	1,822
Budget surplus (deficit) on other school funds	560	—	—	560
LGPS pension surplus (deficit)	—	(3,970)	—	(3,970)
Borrowing obligations	(561)	—	—	(561)
Net assets (liabilities)	1,749	(3,970)	72	(2,149)

21 Transfer from Local Authority on conversion (continued)

Sacred Heart Catholic Primary School

On 1 September 2021 Sacred Heart Catholic Primary School converted to Academy Trust status.

	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset funds £'000	Total £'000
Budget surplus (deficit) on LA funds	123	—	—	123
Budget surplus (deficit) on other school funds	50	—	—	50
LGPS pension surplus (deficit)	—	(286)	—	(286)
Net assets (liabilities)	173	(286)	—	(113)

St Augustine's Catholic Primary School

On 1 September 2021 St Augustine's Catholic Primary School converted to Academy status.

	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset funds £'000	Total £'000
Budget surplus (deficit) on LA funds	405	—	—	405
Budget surplus (deficit) on other school funds	121	—	—	121
LGPS pension surplus (deficit)	—	(363)	—	(363)
Net assets (liabilities)	526	(363)	—	163

St Cross Catholic Primary School

On 1 September 2021 St Cross Catholic Primary School converted to Academy status.

	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset funds £'000	Total £'000
Budget surplus (deficit) on LA funds	95	—	—	95
Budget surplus (deficit) on other school funds	43	—	—	43
LGPS pension surplus (deficit)	—	(502)	—	(502)
Net assets (liabilities)	138	(502)	—	(364)

21 Transfer from Local Authority on conversion (continued)

St Joseph's (Bishop's Stortford) Catholic Primary School

On 1 September 2021 St Joseph's (Bishop's Stortford) Catholic Primary School converted to Academy status.

	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset funds £'000	Total £'000
Budget surplus (deficit) on LA funds	264	—	—	264
Budget surplus (deficit) on other school funds	175	—	—	175
LGPS pension surplus (deficit)	—	(734)	—	(734)
Borrowing obligations	(205)	—	—	(205)
Net assets (liabilities)	234	(734)	—	(500)

St Joseph's (Hertford) Catholic Primary School

On 1 September 2021 St Joseph's (Hertford) Catholic Primary School converted to Academy status.

	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset funds £'000	Total £'000
Budget surplus (deficit) on LA funds	310	—	—	310
Budget surplus (deficit) on other school funds	50	—	—	50
LGPS pension surplus (deficit)	—	(227)	—	(227)
Net assets (liabilities)	360	(227)	—	133

St Joseph's (Waltham Cross) Catholic Primary School

On 1 September 2021 St Joseph's (Waltham Cross) Catholic Primary School converted to Academy status.

	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset funds £'000	Total £'000
Budget surplus (deficit) on LA funds	240	—	—	240
Budget surplus (deficit) on other school funds	77	—	—	77
LGPS pension surplus (deficit)	—	(569)	—	(569)
Net assets (liabilities)	317	(569)	—	(252)

21 Transfer from Local Authority on conversion (continued)

St Mary's Catholic School

On 1 September 2021 St Mary's Catholic School converted to Academy status.

	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset funds £'000	Total £'000
Budget surplus (deficit) on LA funds	289	—	59	348
Budget surplus (deficit) on other school funds	26	—	—	26
LGPS pension surplus (deficit)	—	(1,018)	—	(1,018)
Borrowing obligations	(356)	—	—	(356)
Net assets (liabilities)	(41)	(1,018)	59	(1,000)

St Thomas of Canterbury Catholic Primary School

On 1 September 2021 St Thomas of Canterbury Catholic Primary School converted to Academy status.

	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset funds £'000	Total £'000
Budget surplus (deficit) on LA funds	24	—	13	37
Budget surplus (deficit) on other school funds	17	—	—	17
LGPS pension surplus (deficit)	—	(271)	—	(271)
Net assets (liabilities)	41	(271)	13	(217)

The above net liabilities include £605,000 that were transferred as cash.

22 Analysis of changes in net funds

	At 1 September 2021 £	Cashflows £	At 31 August 2022 £
Cash in hand and at bank	—	3,438	3,438

23 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

24 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 a member of the trustee has 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.

During the year loan repayments of £140,000 were made to the Diocese of Westminster in respect of the loan balances transferred on conversion of St Mary's Catholic School and St Joseph's (Bishop's Stortford) Catholic Primary School. The outstanding loan balance at 31 August 2022 was £420,000.