

OUR LADY OF FATIMA CATHOLIC MULTI ACADEMY TRUST

(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019

OUR LADY OF FATIMA CATHOLIC MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

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OUR LADY OF FATIMA CATHOLIC MULTI ACADEMY TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Mr G Reynolds The Brentwood Diocesan Trust Rt Rev A Williams
Trustees	Mr I Kendal, Chief Executive Mrs A Black Fr. B Kot, Vice Chair Mr G Reynolds, Chairman Fr. B Soley Mr T Minihane (resigned 22 July 2019)
Company registered number	07696069
Company name	Our Lady of Fatima Catholic Multi Academy Trust
Registered and principal office	Our Lady of Fatima Catholic Multi Academy Trust First Avenue Harlow Essex CM20 2NP
Company Secretary	Mr T Minihane
Chief Executive Officer	Mr I Kendal
Senior Management Team	Mr I Kendal Mrs A Black Mr P Murphy Mrs C Bell
Independent Auditors	Price Bailey LLP Chartered Accountants Causeway House 1 Dane Street Bishop's Stortford Hertfordshire CM23 3BT

OUR LADY OF FATIMA CATHOLIC MULTI ACADEMY TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019

The Trustees present their Annual Report together with the financial statements and Auditor's Report of Our Lady of Fatima Catholic Multi Academy Trust (the Trust or the Charitable Company) for the year ended 31 August 2019.

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

The Trust operates 2 primary Academies serving a catchment area in Harlow. The Academies have a combined capacity of 460 and had a roll of 455 in the summer 2019 census.

Structure, governance and management

Constitution

The Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are its primary governing documents. The Trustees of The Charitable Company are also the Directors for the purposes of company law. The terms Trustee and Director are interchangeable. The Charitable Company includes the following Academies:

- St Alban's Catholic Academy (St Alban's) converted on 01/08/2011
- St Luke's Catholic Academy (St Luke's) converted and joined Trust on 01/08/2013

The operation of The 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 Finance Committee. Each Academy has appointed Local Governing Bodies (LGBs).

Throughout the Report the term Director or Trustee relates to a member of the Board of Trustees. The term Governor relates to a member of a LGB.

Details of the Trustees who served throughout the period are included in the Reference and Administrative Details section.

Members' liability

Each Member of the Charitable Company undertakes to contribute to its assets 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

Trustees, Governors and Officers are covered by indemnity insurance purchased at the Trust's expense, to cover the liability of the Trustees which, by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Trust. Such indemnity will not apply to any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not; nor will such indemnity extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees or Governors in their capacity as Trustees or Governors.

Principal activities

To advance for the public benefit, education in the United Kingdom, in particular (but without prejudice to the generality of the foregoing) by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum, and as Catholic schools in line with direction from the Catholic Diocese of Brentwood. The Trust is constituted as two 4-11 Schools for the year to 31 August 2017.

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

Method of recruitment and appointment or election of Trustees

The Trustees may appoint up to two Trustees.

The Diocesan Bishop may appoint such number of Foundation Trustees so as to ensure that at all times the number of Foundation Trustees outnumber all other Trustees by at least two.

The Executive Head Teacher is an ex officio Trustee.

Policies and procedures adopted for the induction and training of Trustees and Governors

There is an induction procedure for new Trustees and Governors which outlines basic guidance for all but is then tailored to individual requirements. The Clerk to Governors oversees this.

Trustees and Governors attend Essex and Brentwood Diocesan Governor Courses and the Trust subscribes to online Governor Training, which all can access and use at times convenient to them. Internal training is provided on various topics, especially regular Safeguarding updates and training sessions.

The Clerk to Governors, keeps records of any Governor training. All Trustees and Governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their roles.

Organisational structure

The Trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the Trust by use of budgets and making major decisions about the direction of the Trust, capital expenditure and senior staff appointments.

The Board of Trustees delegates certain responsibilities to Local Governing Bodies (LGB - one for each Academy) and the sub committees: The Finance & Premises Committee, and the Trust Improvement Committee. The Board of Trustees and LGBs meet, together, once a term, with the Finance and Trust Improvement Committee minutes being fed into this meeting. Minutes of the termly meetings with LGBs are fed into the Strategic Board who meet annually.

The Executive Head Teacher is an ex-officio Trustee and is the Accounting Officer. The Executive Head directly line manages the members of the Trust Leadership Team (TLT), which comprised 2 Heads of School (one of which is 0.8 FTE). As a group, the TLT are responsible for the day-to-day operation of the Academies in particular, organising the teaching staff, facilities and students.

Risk management

The Trust maintains a risk register identifying the major risks to which the Trust is exposed, identifying actions and procedures to mitigate those risks. This register is approved and monitored by the Finance and Premises committee and the Trust Improvement Committee. The principal risks facing the Trust at a contextual level are outlined below in the principal risks and uncertainties section; those facing the Trust at an operational level are addressed by its systems and by internal financial and other controls; for further details, see the Statement of Internal Control below.

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

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

Arrangements for setting pay and remuneration of key management personnel

Key management personnel include Trustees and those staff to 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 Academy group size, ISR, the pay scales for each role and the level of experience of each staff member. In addition, pay levels may be affected by nationally agreed pay awards, the ability to recruit and retain in post, all of which are in accordance with the Trust's appointment and pay policies.

All amendments to key management's pay and remuneration is approved by the appropriate sub-committee and ratified by the Strategic Board.

Connected organisations, including related party relationships

Owing to the nature of the 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 Trustee has an interest.

Any transactions involving such organisations would be conducted at arm's length and in accordance with the Trust's financial regulations and normal procurement procedures.

As a Catholic Academy we are linked to the Diocese of Brentwood.

Objectives and activities

Objects and aims

The principal object and activity of the Trust are set out in the principal activities disclosure above.

Objectives

The Board of Trustees had the following main objectives for the year ended 31 August 2019:

- To continue to ensure that every child receives a high quality education in keeping with the Trust's mission - Through God's love we learn together, grow together and achieve together.
- To continue to raise the standard of educational achievement of all pupils and thereby to maintain the Trust's local and national reputation.
- To ensure the maintenance of a Catholic ethos and education within the Academies.
- To improve the effectiveness of the Academies by keeping the curriculum and organisational structure under continual review.
- To provide value for money for the funds expended.
- To comply with all appropriate statutory and curriculum requirements.
- To maintain close links with our local Catholic parishes and local industry.
- To conduct the Trust's business in accordance with the highest standards of integrity, probity and openness.

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

Strategies and activities

In keeping with its objectives for the period, the main activities provided by the Trust included:

- Developing children ability to learn thought self-facilitated learning and metacognition.
- Strengthening the Curriculum through mapping, assessment and leadership (particular focus on reading and science).
- Develop strong leadership for learning throughout the Trust. (Peer review, Coaching, Training).
- Parish links have been further developed. Both Academies have regularly attended Masses with their Parishes. Staff support at Parish Masses and meetings. Services for Reconciliation, Stations of the Cross and Praying the Rosary are held at the Academies and open to Parishioners. The Academies local Parish Priests and Deacon regularly visit them.
- St Alban's had an OFSTED Inspection and were judged to be Good.
- The Trust is part of Harlow Education Trust.
- The Trust is actively consulting with Brentwood Diocese and with local Catholic schools to progress the Diocesan plans of expanded Catholic MAT's.
- The Trust has, in both its Academies, a very successful fixture list of competitive sport throughout the year making effective use of the Government's sports grant. A wide variety of sports clubs are offered to KS1 and KS2 pupils with all except gymnastics at no extra cost. The Trust has maintained the Gold Standard for sport in both Schools.
- Pupils are prepared for the move into secondary education by visits to secondary schools in year 5 and year 6. The year 6 attend Crucial Crew, Pedestrian and Bikeability Training. Year 6 are also offered a residential trip at the start of the academic year, which promotes team work and maturity.
- The Trust had a successful bid made to the ESFA capital fund to improve the electrical wiring and heating distribution system at St. Luke's. These improvements help to provide good learning environments for the pupils.
- St. Alban's is a Lead School for Teacher Training and has developed its provision to be under the name Harlow Teacher Training Partnership to reflect that it is recruiting good trainee teachers for a number of schools in Harlow. The training is provided by Essex Teacher Training with HEC supporting school to school communications.
- The age range change for St. Alban's was granted so that it is now age 3-11 and able to proceed bringing the current externally run preschool into the management and organisation of the Trust.
- Parents can make payment online via Arbor and the Schools are cashless.
- Teacher led clubs are offered free of charge to students to allow access to all.
- Specialist PE and Drama Teacher is employed to enable skills development.
- Higher Attainers attended workshops, quizzes and competitions to provide an experience of these subjects beyond their own School and an extra challenge.
- Pupils enjoyed a wide range of School trips including a residential for y6, Kidzania for KS1 and performing at various events.
- The Schools hold the Gold School Games award and awards for International School Status, Healthy Schools, Wellcomm and runs a Mini Vinnies group.
- The Executive Head Teacher is a Local Leader of Education

Public benefit

The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission. The Trust has operated in accordance with its funding agreement as a non-charging, not-for-profit organisation throughout the period in question. Pupil admissions to the Academies have been conducted in accordance with the St Alban's Catholic Academy admissions policy and with St Luke's Catholic Academy admissions policy.

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

Strategic Report

Achievements and performance

The Trust measures its success partly through a series of performance indicators. These indicators comprise:

- Academy popularity/admissions.
- Examination results and other indicators of student progress.
- Staff and department performance monitoring.
- Financial health.
- Comparison of performance against other local and national schools.

Examination results for 2019 in KS2 showed an impressive improvement in Mathematics, with reading attainment broadly maintained across the Trust. The writing attainment was disappointing and continues to be a main focus for improvement. A consultant had worked with the Trust and the English Lead.

Both Schools were above floor standards for progress. Data and papers are analysed to inform future planning. 1:1 teacher led interventions; same day maths interventions had taken place for year 6 pupils EYFS and KS1 results continued to be good with Phonics scores improved on previous years so also becoming a focus for improvement.

Assessments 2019 for the Trust

GLD	St Alban's	St Luke's
Achieved	26 (87%)	22 (73%)
Not achieved	4 (13%)	8 (27%)

Phonics	St Alban's	St Luke's
WA	28 (93%)	23 (79%)
WT	2 (7%)	6 (21%)
Year 2 pass/retakes	0/4	3/9

KS1	St Alban's				St Luke's			
	WTS	EXS	GDS	EXS+	WTS	EXS	GDS	EXS+
Reading	9 (32)	16 (57)	3 (11)	68%	7 (24)	13 (44)	9 (31)	76%
Writing	11 (39)	15 (54)	2 (7)	61%	9 (31)	17 (59)	3 (10)	69%
Mathematics	5 (18)	16 (57)	4 (14)	71%	7 (24)	18 (62)	4 (14)	76%

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KS2	St Alban's				St Luke's			
	WTS	EXS	GDS	EXS+	WTS	EXS	GDS	EXS+
English Reading	10	37	53	90%	40	50	10	60%
English Grammar Spelling and Punctuation	7	37	57	93%	23	63	13	77%
Writing	9 (30)	20 (67)	1 (3)	70%	11 (37)	18 (60)	1 (3)	63%
Mathematics	3	63	33	97%	27	53	20	73%
RWM Combined				67%				50%
National	R 73 Av Sc 104	W 78 GPS 78 Av Sc 106	M 79 Av Sc 105	RWM 65%	R 73 Av Sc 104	W 78 GPS 78 Av Sc 106	M 79 Av Sc 105	RWM 65%
Science	3 (10)	27 (90)		90%	5 (17)	25 (83)		83%

To ensure standards are continually raised, the Trust:

- regularly holds Pupil Progress meetings to aid early identification of intervention needs;
- intervention support programmes to improve results next year;
- operates a programme of observations of lessons, including peer observations; and
- operates a programme of performance reviews.

Going concern

After making appropriate enquiries, the Trustees have 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.

Financial review

Most of the Trust's income is obtained from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the period ended 31 August 2019 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

During the period ended 31 August 2019, total expenditure of £3,041,908 was covered by recurrent grant funding from the ESFA together with other incoming resources.

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

Financial position

The Trust had a fund balance deficit at 31 August 2019 of £1,078,796 comprising £355,235 of restricted fixed asset funds, £297,969 of unrestricted general funds, £289,000 of donation in kind and a pension reserve deficit of £1,732,000.

At 31 August 2019 the net book value of fixed assets was £52,321 and movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Trust.

Reserves policy

The Trustees review the reserve levels of the Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees have determined that the appropriate level of free reserves should be equivalent 5% of the General Annual Grant. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The Trust's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £297,969, which is considered adequate.

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Trust is recognising a significant pension fund deficit of £1,732,000. This does not mean that an immediate liability for this amount crystallises and that such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years. The recognition of this deficit has no direct impact on the free reserves of the Trust.

Investment Policy

The Trust has a policy of investing its cash balances with a view to realising return but with minimum risk. Currently the Trust only operates an instantly available interest account. This procedure will be reviewed in the future in light of long term planning.

Fundraising

The Trust only held small fundraising events during the year. The Trust does not work with professional fundraisers or companies who carry out fundraising on its behalf. During the year no complaints or issues have arisen as a result of fundraising events.

Principal risks and uncertainties

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

- Staff retention: possibly the biggest single risk to the Trust would lie in its failure to retain key staff.
- Material decrease in income affecting provision: The budget for 2018-19 has required a planned use of reserves.
- Falling rolls: Response to the conversion to Multi Academy status has showed no diminution in student and parental enthusiasm. St. Alban's has been oversubscribed for many years and there is every sign of this continuing. The local Catholic parish is baptising significantly over 30 Catholic children each year. St Luke's had seen a significant reduction in pupil numbers before being sponsored, however, the number on roll is increasing and the Trust will actively work to promote the School. The Trust will hold open days for both Schools.
- Staff recruitment: attracting good quality staff to the area is always a challenge, however we have had sufficient quality applicants to recent advertised positions. This allied to development of our own staff will mitigate any potential risk. St. Alban's is a Lead School for School Direct Teacher Training; this will aid future recruitment for the Academies and other local schools.

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

- Bank balances & investments: there is no significant risk other than an institution ceasing to trade, however the trust will review spreading any balances over more than one institution if cash balances reach a level that their loss would be significantly damaging.
- Debtors: there are no material debtors.
- The Trust's credit rating is not in jeopardy, though it has no need for credit facilities.
- The Trust's cash flow is healthy.

Plans for the future

The Trust will continue striving to improve the levels of performance of its students at all levels.

The Trustees intend to enhance and expand facilities in pursuance of the Schools' commitment to ensure that all students achieve their potential. It is recognised that students with differing abilities and aptitudes will have differing curriculum requirements and that a greater diversity of learning environments will be required to deliver these.

The Trust plans to develop and promote expertise in the Trust through the promotion of Specialist Leaders in Education.

The Trustees plan to continue to promote the leadership role in 'system leadership' by providing support to a number of schools through the Executive Headteacher role as a Local Leader of Education.

Provision of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that;

- So far as that Trustee is aware, there is no relevant audit information of which the Charitable Company's Auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the Charitable Company's Auditors in connection with preparing their Report and to establish the Charitable Company's Auditors are aware of that information.

The Trustees' Report, incorporating a Strategic Report, was approved by the Board of Trustees on 19 December 2019 and signed on its behalf by:

Mr G Reynolds
Chair of Trustees

OUR LADY OF FATIMA CATHOLIC MULTI ACADEMY TRUST
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GOVERNANCE STATEMENT

Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the Executive Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Our Lady of Fatima Catholic Multi 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 3 times during the year.

Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr I Kendal, Chief Executive	3	3
Mrs A Black	3	3
Fr. B Kot, Vice Chair	3	3
Mr G Reynolds, Chairman	3	3
Fr. B Soley	0	3
Mr T Minihane	0	0

Review of year

There have been no key changes in the composition of the Board of Trustees, nor any particular challenges that have arisen for the Board this year. The Board of Trustees continually self-evaluates and this will be codified over the next academic year. The Board considers that Governance in the Trust is effective. A formal review will assist in validating this effectiveness. The Board assists the Executive Headteacher in the effective management of the Trust, using a variety of data relating to the pupil's welfare and performance, as well as feedback from the Senior Management Team, Governing Body and Committee meeting minutes and monthly management accounts. The Board considers data received via these means to be acceptable and of a high standard.

Governance reviews

The Trust intends to conduct its next self-evaluation or external review of governance in the academic year 2019-2020.

Committees

The Finance and Premises Committee is a sub-committee of the Board of Trustees. Its purpose is to:

Review and authorise the annual budget, receive and review monthly management reports and facilitate the monitoring of the Trust's actual financial performance compared with budgeted priorities and cash flow. Further, the Committee will ensure the annual accounts and returns are produced in accordance with the requirements of the Companies Act 1985 and the ESFA guidance issued to academies. The Committee will review the award of contracts and leases, authorise changes to the Academy personnel establishment, determining the Trust's financial priorities, make decisions on expenditure, within their delegated powers and review and approve, annually, the Academy's Financial Regulations and Scheme of Delegation.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The duties of the Audit Committee will be undertaken by the Finance and Premises Committee

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr G Reynolds	3	3
Fr. B Kot	1	3
Mr H Linden	3	3
Mr I Kendal	3	3

Review of value for money

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

The Accounting Officer considers how the Academy's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer has delivered improved value for money during the year by:

Ensuring the Trust continues to achieve value for money, all quotations are challenged to ensure value for money and all resources are evaluated to ensure effectiveness. During this Academic Year we have invested in new laptops for our pupils, giving time and consideration to their whole digital learning environment, including their needs and their safety. We undertook a value for money exercise encompassing both the purchase of the hardware and the appropriate licencing and technical support. We also reviewed our grounds maintenance contract, resulting in a change of supplier and providing improved value for money with a more suitable environment for our children. Finally, we reviewed the professional services which allow us to fulfil our statutory requirements, again leading to a change in supplier providing increased value for money.

Ensuring we spend our income effectively is a continuous focus for the Trust, as such we review contracts each term on a rolling basis.

The purpose of the system of internal control

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

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the Annual Report and financial statements. This process is regularly reviewed by the Board of Trustees.

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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Essex County Council as Internal Auditor.

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

- Governance
- Financial Management
- Banking
- Payroll and Expenses
- Financial Reporting
- Income
- Assets
- Financial Accounting
- Expenditure

On a termly basis, the Internal Auditor reports to the Board of Trustees through the Finance and Premises Committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

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

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GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

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

- the work of the Internal Auditor;
- the work of the external Auditors;
- the financial management and governance self-assessment process; and
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

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

Approved by the Board of Trustees on 19 December 2019 and signed on their behalf by:

Mr G Reynolds
Chair of Trustees

Mr I Kendal
Accounting Officer

OUR LADY OF FATIMA CATHOLIC MULTI ACADEMY TRUST
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Our Lady of Fatima Catholic Multi Academy Trust I have considered my responsibility to notify the Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

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

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

Mr I Kendal
Accounting Officer
Date: 18 December 2019

OUR LADY OF FATIMA CATHOLIC MULTI ACADEMY TRUST
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2019

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by the Members of the Board of Trustees on 19 December 2019 and signed on its behalf by:

Mr G Reynolds
Chair of Trustees

OUR LADY OF FATIMA CATHOLIC MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF OUR
LADY OF FATIMA CATHOLIC MULTI ACADEMY TRUST**

Opinion

We have audited the financial statements of Our Lady of Fatima Catholic Multi Academy Trust (the 'Trust') for the year ended 31 August 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

OUR LADY OF FATIMA CATHOLIC MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF OUR
LADY OF FATIMA CATHOLIC MULTI ACADEMY TRUST (CONTINUED)**

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

OUR LADY OF FATIMA CATHOLIC MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF OUR
LADY OF FATIMA CATHOLIC MULTI ACADEMY TRUST (CONTINUED)**

Responsibilities of Trustees

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

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

Gary Miller (Senior Statutory Auditor)
for and on behalf of
Price Bailey LLP
Chartered Accountants
Statutory Auditors
Causeway House
1 Dane Street
Bishop's Stortford
Hertfordshire
CM23 3BT

19 December 2019

OUR LADY OF FATIMA CATHOLIC MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO OUR LADY OF FATIMA CATHOLIC MULTI ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 17 September 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Our Lady of Fatima Catholic Multi Academy Trust during the year 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This Report is made solely to Our Lady of Fatima Catholic Multi 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 Our Lady of Fatima Catholic Multi Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Our Lady of Fatima Catholic Multi Academy Trust and ESFA, for our work, for this Report, or for the conclusion we have formed.

Respective responsibilities of Our Lady of Fatima Catholic Multi Academy Trust's Accounting Officer and the Reporting Accountant

The Accounting Officer is responsible, under the requirements of Our Lady of Fatima Catholic Multi Academy Trust's funding agreement with the Secretary of State for Education dated 26 July 2013 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

OUR LADY OF FATIMA CATHOLIC MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO OUR LADY OF FATIMA CATHOLIC MULTI ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY
(CONTINUED)

The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material irregularity, impropriety and non-compliance
- Consideration and corroboration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance and how the Trust complies with the framework of authorities.
- Evaluation of the general control environment of the Trust, extending the procedures required for financial statements to include regularity, propriety and compliance
- Discussions with and representations from the Accounting Officer and other key management personnel.
- An extension of substantive testing from our audit of the financial statements to cover matters pertaining to regularity, in order to support the regularity conclusion, including governance, internal controls, procurement and the application of income.

Conclusion

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

Reporting Accountant

Price Bailey LLP

Date: 19 December 2019

OUR LADY OF FATIMA CATHOLIC MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	As restated Total funds 2018 £
Income from:						
Donations and capital grants	3	150,839	137,702	738,637	1,027,178	486,097
Charitable activities		44,597	2,062,864	-	2,107,461	1,969,966
Other trading activities		44,078	-	-	44,078	28,559
Investments	6	156	-	-	156	128
Total income		239,670	2,200,566	738,637	3,178,873	2,484,750
Expenditure on:						
Charitable activities		133,624	2,343,166	565,118	3,041,908	2,564,730
Total expenditure		133,624	2,343,166	565,118	3,041,908	2,564,730
Net income/ (expenditure)		106,046	(142,600)	173,519	136,965	(79,980)
Transfers between funds	19	-	(26,400)	26,400	-	-
Net movement in funds before other recognised gains/(losses)		106,046	(169,000)	199,919	136,965	(79,980)
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	25	-	(232,000)	-	(232,000)	307,000
Net movement in funds		106,046	(401,000)	199,919	(95,035)	227,020
Reconciliation of funds:						
Total funds brought forward		191,923	(1,331,000)	155,316	(983,761)	(1,210,781)
Net movement in funds		106,046	(401,000)	199,919	(95,035)	227,020
Total funds carried forward		297,969	(1,732,000)	355,235	(1,078,796)	(983,761)

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

The notes on pages 24 to 50 form part of these financial statements.

OUR LADY OF FATIMA CATHOLIC MULTI ACADEMY TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07696069

BALANCE SHEET
AS AT 31 AUGUST 2019

	Note	2019 £	As restated 2018 £
Fixed assets			
Tangible assets	14	52,321	38,816
		52,321	38,816
Current assets			
Debtors	15	724,091	566,195
Cash at bank and in hand		722,430	306,903
		1,446,521	873,098
Creditors: due within one year	16	(613,903)	(323,623)
Net current assets		832,618	549,475
Total assets less current liabilities		884,939	588,291
Creditors: due after more than one year	17	(231,735)	(241,052)
Net assets excluding pension liability		653,204	347,239
Defined benefit pension scheme liability	25	(1,732,000)	(1,331,000)
Total net assets		(1,078,796)	(983,761)
 Funds of the Academy			
Restricted funds:			
Fixed asset funds	19	355,235	155,316
Restricted funds excluding pension liability	19	355,235	155,316
Pension reserve	19	(1,732,000)	(1,331,000)
Total restricted funds	19	(1,376,765)	(1,175,684)
Unrestricted income funds	19	297,969	191,923
Total funds		(1,078,796)	(983,761)

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 21 to 50 were approved by the Trustees, and authorised for issue on 19 December 2019 and are signed on their behalf, by:

Mr G Reynolds
Chair of Trustees

OUR LADY OF FATIMA CATHOLIC MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	21	431,932	(162,904)
Cash flows from investing activities	23	(26,244)	(20,740)
Cash flows from financing activities	22	9,839	9,317
Change in cash and cash equivalents in the year		415,527	(174,327)
Cash and cash equivalents at the beginning of the year		306,903	481,230
Cash and cash equivalents at the end of the year	24	<u>722,430</u>	<u>306,903</u>

The notes on pages 24 to 50 form part of these financial statements

OUR LADY OF FATIMA CATHOLIC MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

Our Lady of Fatima Catholic Multi Academy Trust meets the definition of a public benefit entity under FRS 102.

1.2 Company status

The Trust is a private company registered in England & Wales and limited by guarantee. The Members are noted on page 1. In the event of the Trust being wound up, the liability in respect of the guarantee is limited to £10 per Member.

The Trust's registered office is Our Lady of Fatima Multi Academy Trust, First Avenue, Harlow, Essex CM20 2NP.

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

OUR LADY OF FATIMA CATHOLIC MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.4 Income

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

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

1.5 Expenditure

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

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.6 Government grants

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

OUR LADY OF FATIMA CATHOLIC MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.7 Interest receivable

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

1.8 Taxation

The 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 Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.9 Tangible fixed assets

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

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

Capital improvements to Diocesan owned property are recognised as expenditure.

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

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

Furniture and fixtures	- 20% straight line
------------------------	---------------------

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

OUR LADY OF FATIMA CATHOLIC MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.10 Debtors

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

1.11 Cash at bank and in hand

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

1.12 Liabilities

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

1.13 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 16 and 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.14 Operating leases

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

OUR LADY OF FATIMA CATHOLIC MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.15 Pensions

Retirement benefits to employees of the Trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes.

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

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

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

1.16 Fund accounting

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

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

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

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

OUR LADY OF FATIMA CATHOLIC MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the Actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. Income from donations and capital grants

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Donations	150,839	41,702	192,541	35,818
Notional rent	-	96,000	96,000	96,000
Capital grants	-	738,637	738,637	354,279
Total 2019	<u>150,839</u>	<u>876,339</u>	<u>1,027,178</u>	<u>486,097</u>
Total 2018	<u>5,382</u>	<u>480,715</u>	<u>486,097</u>	

In 2018, income from donations was £35,818 of which £5,382 was unrestricted and £30,436 restricted.

In 2018, notional rent was £96,000 of which all was restricted.

In 2019, capital grants of £738,637 (2018 - £354,279) were in relation to restricted fixed assets.

OUR LADY OF FATIMA CATHOLIC MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

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

4. Funding for the Academy's provision of education

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	1,670,931	1,670,931	1,646,649
Other DfE / ESFA grants	-	185,332	185,332	188,065
	-	1,856,263	1,856,263	1,834,714
Other government grants				
Local Authority grants	-	206,601	206,601	85,974
	-	206,601	206,601	85,974
Other funding				
Catering income	44,597	-	44,597	49,278
	44,597	-	44,597	49,278
Total 2019	<u>44,597</u>	<u>2,062,864</u>	<u>2,107,461</u>	<u>1,969,966</u>
Total 2018	<u>49,278</u>	<u>1,920,688</u>	<u>1,969,966</u>	

In 2018, income from DfE/ESFA grants was £1,834,714 of which all was restricted.

In 2018, income from other government grants was £85,974 of which all was restricted.

In 2018, income from catering was £49,278 of which all was unrestricted.

5. Income from other trading activities

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Other activities	44,078	44,078	28,559

In 2018, all income from other activities was unrestricted.

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6. Investment income

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Bank interest	156	156	128
	156	156	128

In 2018, all income from investments was unrestricted.

7. Expenditure

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £	Total 2018 £
Provision of education:					
Direct costs	1,370,937	-	111,250	1,482,187	1,482,776
Support costs	493,842	783,992	281,887	1,559,721	1,081,954
Total 2019	1,864,779	783,992	393,137	3,041,908	2,564,730
Total 2018	1,758,623	433,469	372,638	2,564,730	

In 2019, of the total expenditure, £268,546 (2018 - £92,024) was from unrestricted funds, £2,760,487 (2018 - £2,196,256) was from restricted funds and £12,895 (2018 - £276,450) was from restricted fixed asset funds.

In 2018, direct expenditure consisted of £1,361,724 staff costs and £121,052 other costs.

In 2018, support expenditure consisted of £396,899 staff costs, £433,469 premises costs and £251,586 other costs.

8. Supplier costs

	2019 £	2018 £
Direct costs	1,482,187	1,482,776
Support costs	1,559,721	1,081,954
	3,041,908	2,564,730

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Supplier Costs (continued)

	2019 £	2018 £
Analysis of support costs		
Support staff costs	493,842	396,899
Depreciation	12,895	36,671
Technology costs	24,006	45,404
Premises costs	771,097	396,798
Other costs	245,375	192,015
Governance costs	12,506	14,167
	1,559,721	1,081,954

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2019 £	2018 £
Operating lease rentals	5,645	5,645
Depreciation of tangible fixed assets	12,895	36,671
Fees paid to Auditors for:		
- audit	5,620	5,460
- other services	5,885	5,715
	14,415	17,491

10. Staff costs

a. Staff costs

Staff costs during the year were as follows:

	2019 £	2018 £
Wages and salaries	1,373,993	1,283,010
Social security costs	105,442	102,177
Pension costs	385,344	373,436
	1,864,779	1,758,623

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10. Staff costs (continued)

b. Staff numbers

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

	2019 No.	2018 No.
Teachers	23	24
Administration and support	62	64
Management	1	2
	86	90
	86	90

c. Higher paid staff

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

	2019 No.	2018 No.
In the band £80,001 - £90,000	1	1
	1	1

d. Key management personnel

The key management personnel of the Trust comprise the Trustees and the Senior Leadership Team as listed on page 1. The total amount of employee benefits (including employer pension contributions and national insurance) received by key management personnel for their services to the Trust was £221,970 (2018 - £262,285).

Employer pension contributions included within key management personnel remuneration was £28,772 (2018 - £33,751).

Employer national insurance contributions included within key management personnel remuneration was £20,487 (2018 - £23,731).

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11. Central services

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

- Educational - strategy and intervention.
- Non educational - strategy and intervention.
- Human resources.
- Financial services including audit.
- Legal services.

The Trust charges for these services on the following basis:

The central services are recharged and split equally between the two member schools.

The actual amounts charged during the year were as follows:

	2019 £	2018 £
St Alban's Catholic Academy	155,977	157,039
St Luke's Catholic Primary School	155,977	157,038
Total	311,954	314,077

12. Trustees' remuneration and expenses

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

		2019 £	2018 £
Mr I Kendal, Chief Executive Officer	Remuneration	85,000 - 90,000	80,000 - 85,000
	Pension contributions paid	10,000 - 15,000	10,000 - 15,000
Mrs A Black	Remuneration	40,000 - 45,000	35,000 - 40,000
	Pension contributions paid	5,000 - 10,000	5,000 - 10,000
Mrs A Kendal	Remuneration	15,000 - 20,000	-
	Pension contributions paid	0 - 5,000	-

During the year ended 31 August 2019, expenses totalling £1,748 were reimbursed or paid directly to 2 Trustees (2018 - £2,264 to 2 Trustees) for expenses incurred as part of their employment as staff members

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13. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Trust has purchased insurance to protect Trustees, Governors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £3,000,000 on any one claim and the cost for the year ended 31 August 2019 was £10,971 (2018 - £17,256). The cost of this insurance is included in the total insurance cost.

14. Tangible fixed assets

	Furniture and equipment £
Cost or valuation	
At 1 September 2018	246,236
Additions	26,400
	<hr/>
At 31 August 2019	272,636
	<hr/>
Depreciation	
At 1 September 2018	207,420
Charge for the year	12,895
	<hr/>
At 31 August 2019	220,315
	<hr/>
Net book value	
At 31 August 2019	52,321
	<hr/> <hr/>
At 31 August 2018	38,816
	<hr/> <hr/>

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NOTES TO THE FINANCIAL STATEMENTS
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15. Debtors

	2019 £	2018 £
Due after more than one year		
Notional rental debtor	193,000	193,000
	193,000	193,000
Due within one year		
VAT repayable	52,484	51,597
Notional rental debtor	96,000	96,000
Prepayments and accrued income	382,607	225,598
	724,091	566,195

16. Creditors: Amounts falling due within one year

	2019 £	As restated 2018 £
Other taxation and social security	24,732	26,611
Notional rental creditor	96,000	96,000
Other creditors	76,483	89,229
Accruals and deferred income	416,688	111,783
	613,903	323,623
	2019 £	2018 £
Deferred income at 1 September 2018	63,176	38,111
Resources deferred during the year	69,675	63,176
Amounts released from previous periods	(63,176)	(38,111)
	69,675	63,176

17. Creditors: Amounts falling due after more than one year

	2019 £	As restated 2018 £
Other creditors	38,735	48,052
Notional rental creditor	193,000	193,000
	231,735	241,052

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17. Creditors: Amounts falling due after more than one year (continued)

	2019	2018
	£	£

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2019	2018
	£	£
Payable or repayable by instalments	7,621	14,254
	<u>7,621</u>	<u>14,254</u>
	<u><u>7,621</u></u>	<u><u>14,254</u></u>

The amount provided for in other creditors is for three Salix loans provided to the Trust by the Department for Education. This is repayable over five years.

18. Prior year adjustments

A prior year adjustment has been made to reflect the new guidance in section 7.7 in the ESFA Academies Accounts Direction 2018-19. The right to occupy liability reflects the future notional rental expense as a creditor rather than the previous treatment as a restricted fund. This amounted to £289,000.

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19. Statement of funds

	As restated Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General funds	191,923	239,670	(133,624)	-	-	297,969
Restricted general funds						
GAG	-	1,670,931	(1,644,531)	(26,400)	-	-
Other DfE	-	185,332	(185,332)	-	-	-
OGG	-	206,601	(206,601)	-	-	-
Trip donations	-	41,702	(41,702)	-	-	-
Donation in kind	-	96,000	(96,000)	-	-	-
Pension reserve	(1,331,000)	-	(169,000)	-	(232,000)	(1,732,000)
	<u>(1,331,000)</u>	<u>2,200,566</u>	<u>(2,343,166)</u>	<u>(26,400)</u>	<u>(232,000)</u>	<u>(1,732,000)</u>
Restricted fixed asset funds						
Fixed assets	38,816	-	(12,895)	26,400	-	52,321
DFC	-	31,908	(31,908)	-	-	-
CIF	116,500	706,729	(520,315)	-	-	302,914
	<u>155,316</u>	<u>738,637</u>	<u>(565,118)</u>	<u>26,400</u>	<u>-</u>	<u>355,235</u>
Total Restricted funds	<u>(1,175,684)</u>	<u>2,939,203</u>	<u>(2,908,284)</u>	<u>-</u>	<u>(232,000)</u>	<u>(1,376,765)</u>
Total funds	<u><u>(983,761)</u></u>	<u><u>3,178,873</u></u>	<u><u>(3,041,908)</u></u>	<u><u>-</u></u>	<u><u>(232,000)</u></u>	<u><u>(1,078,796)</u></u>

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19. Statement of funds (continued)

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

General Annual Grant (GAG)

This represents funding from the ESFA to cover the costs of recurrent expenditure.

Other Government Grants (OGG)

This represents various grants from local Government bodies for the provision of specific services to pupils of the Trust.

Restricted trip donations

This is the donations given by parents for school trips.

Other DfE/ESFA grants

This represents various grants from national Government bodies for the provision of specific services to pupils of the Trust.

Donation in kind

This fund represents the rent free occupation of the land and buildings from the Diocese of Brentwood.

Pension reserve

This fund represents the Trust's share of the deficit on the Local Government Pension Scheme (LGPS) transferred to the Trust on conversion from being state controlled schools.

Restricted fixed asset fund

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

Condition Improvement Funding (CIF)

This represents funding received from the ESFA for the roof refurbishment and associated works at St Lukes Catholic Primary School.

Devolved Formula Capital (DFC)

The Trust is to use the DFC allocation to maintain and improve its buildings and facilities.

Other capital grants

These funds are to be used for maintenance of the Schools' premises.

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

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19. Statement of funds (continued)

Total funds analysis by Academy

Fund balances at 31 August 2019 were allocated as follows:

	2019 £	As restated 2018 £
St Alban's Catholic Academy	300,866	148,435
St Luke's Catholic Primary School	(2,897)	43,488
	297,969	191,923
Total before fixed asset funds and pension reserve	297,969	191,923
Restricted fixed asset fund	355,235	155,316
Pension reserve	(1,732,000)	(1,331,000)
	(1,078,796)	(983,761)
Total	(1,078,796)	(983,761)

The following Academy is carrying a net deficit on its portion of the funds as follows:

	Deficit £
St Luke's Catholic Primary School	2,897

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19. Statement of funds (continued)

The deficit at St Luke's is a result of the essential maintenance work undertaken at St Luke's throughout the summer 2019. St Luke's were granted CIF funding for two projects, Heating and Distribution and Electrical re-wiring. The funds were granted on the basis that the school made a 10% contribution towards the works, equating to £81,000. This deficit will be addressed during the coming academic year, when efficient management of our funding will enable us to eliminate it.

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2019 £	Total 2018 £
St Alban's Catholic Academy	601,013	193,029	62,771	138,514	995,327	1,009,174
St Luke's Catholic Primary School	579,315	212,699	48,489	785,816	1,626,319	1,204,808
Central services	190,609	88,114	-	128,644	407,367	314,077
Academy	<u>1,370,937</u>	<u>493,842</u>	<u>111,260</u>	<u>1,052,974</u>	<u>3,029,013</u>	<u>2,528,059</u>

In 2018, teaching and educational support staff costs was £1,361,724 of which £570,549 was by spent by St Alban's, £597,346 by St Luke's and £193,829 from central services.

In 2018, other support staff costs was £396,899 of which £161,820 was by spent by St Alban's, £152,917 by St Luke's and £82,162 from central services.

In 2018, educational supplies was £121,052 of which £65,586 was by spent by St Alban's, £55,281 by St Luke's and £185 from central services.

In 2018, other costs excluding depreciation was £648,384 of which £211,219 was by spent by St Alban's, £399,264 by St Luke's and £37,901 from central services.

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19. Statement of funds (continued)

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

	As restated Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	As restated Balance at 31 August 2018 £
Unrestricted funds						
General funds	200,600	83,347	(92,024)	-	-	191,923
	<u>200,600</u>	<u>83,347</u>	<u>(92,024)</u>	<u>-</u>	<u>-</u>	<u>191,923</u>
Restricted general funds						
GAG	-	1,646,649	(1,625,781)	(20,868)	-	-
Other DfE	-	188,065	(188,065)	-	-	-
OGG	-	85,974	(85,974)	-	-	-
Trip donations	-	30,436	(30,436)	-	-	-
Donation in kind	-	96,000	(96,000)	-	-	-
Pension reserve	(1,468,000)	-	(170,000)	-	307,000	(1,331,000)
	<u>(1,468,000)</u>	<u>2,047,124</u>	<u>(2,196,256)</u>	<u>(20,868)</u>	<u>307,000</u>	<u>(1,331,000)</u>
Restricted fixed asset funds						
Fixed assets	54,619	-	(36,671)	20,868	-	38,816
DFC	-	12,596	(12,596)	-	-	-
CIF	-	341,683	(225,183)	-	-	116,500
Other capital	2,000	-	(2,000)	-	-	-
	<u>56,619</u>	<u>354,279</u>	<u>(276,450)</u>	<u>20,868</u>	<u>-</u>	<u>155,316</u>
Total Restricted funds	<u>(1,411,381)</u>	<u>2,401,403</u>	<u>(2,472,706)</u>	<u>-</u>	<u>307,000</u>	<u>(1,175,684)</u>
Total funds	<u><u>(1,210,781)</u></u>	<u><u>2,484,750</u></u>	<u><u>(2,564,730)</u></u>	<u><u>-</u></u>	<u><u>307,000</u></u>	<u><u>(983,761)</u></u>

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20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	52,321	52,321
Debtors due after more than one year	-	193,000	-	193,000
Current assets	297,969	652,638	302,914	1,253,521
Creditors due within one year	-	(613,903)	-	(613,903)
Creditors due in more than one year	-	(231,735)	-	(231,735)
Provisions for liabilities and charges	-	(1,732,000)	-	(1,732,000)
Total	<u>297,969</u>	<u>(1,732,000)</u>	<u>355,235</u>	<u>(1,078,796)</u>

Analysis of net assets between funds - prior year

	Unrestricted funds 2018 £	As restated Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	38,816	38,816
Debtors due after more than one year	-	193,000	-	193,000
Current assets	467,598	96,000	116,500	680,098
Creditors due within one year	(227,623)	(96,000)	-	(323,623)
Creditors due in more than one year	(48,052)	(193,000)	-	(241,052)
Provisions for liabilities and charges	-	(1,331,000)	-	(1,331,000)
Total	<u>191,923</u>	<u>(1,331,000)</u>	<u>155,316</u>	<u>(983,761)</u>

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NOTES TO THE FINANCIAL STATEMENTS
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21. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2019 £	2018 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	136,965	(79,980)
Adjustments for:		
Depreciation	12,895	36,671
Interest receivable	(156)	(128)
Increase in debtors	(157,896)	(139,675)
Increase/(decrease) in creditors	271,124	(149,792)
Defined benefit pension scheme	169,000	170,000
Net cash provided by/(used in) operating activities	431,932	(162,904)

22. Cash flows from financing activities

	2019 £	2018 £
Repayments of salix	9,839	9,317
Net cash provided by financing activities	9,839	9,317

23. Cash flows from investing activities

	2019 £	2018 £
Interest received	156	128
Purchase of tangible fixed assets	(26,400)	(20,868)
Net cash used in investing activities	(26,244)	(20,740)

24. Analysis of cash and cash equivalents

	2019 £	2018 £
Cash in hand	722,430	306,903
Total cash and cash equivalents	722,430	306,903

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25. Pension commitments

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

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

Contributions amounting to £29,528 were payable to the schemes at 31 August 2019 (2018 - £28,293) and are included within creditors.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pension Scheme Regulations 2010 (as amended) and the Teachers' Pension Scheme regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities.

In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The Teachers' Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

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25. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%.

The employer's pension costs paid to TPS in the year amounted to £121,458 (2018 - £123,851).

A copy of the latest valuation report can be found by following this link to the [Teachers' Pension Scheme](#) website

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

Scheme Changes

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £162,000 (2018 - £151,000), of which employer's contributions totalled £126,000 (2018 - £116,000) and employees' contributions totalled £ 36,000 (2018 - £35,000). The agreed contribution rates for future years are 20.8 per cent for employers and between 5.5% and 12.5% per cent for employees.

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

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

Principal actuarial assumptions

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

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

	2019 Years	2018 Years
<i>Retiring today</i>		
Males	21.3	22.3
Females	23.6	24.8
<i>Retiring in 20 years</i>		
Males	23.0	24.5
Females	25.4	27.1

As at the 31 August the Trust had a pension liability of £1,732,000 (2018 - £1,331,000). The sensitivity analysis detailed below would increase/ (decrease) the closing defined benefit obligation in the following way.

Sensitivity analysis

	2019	2018
Discount rate +0.1%	(71,000)	(56,000)
Discount rate -0.1%	73,000	57,000
Mortality assumption - 1 year increase	118,000	80,000
Mortality assumption - 1 year decrease	(113,000)	(77,000)
CPI rate +0.1%	65,000	51,000
CPI rate -0.1%	(64,000)	(50,000)

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

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

	At 31 August 2019 £	At 31 August 2018 £
Equities	887,000	730,000
Gilts	77,000	62,000
Other bonds	79,000	67,000
Property	112,000	103,000
Cash and other liquid assets	40,000	40,000
Alternative assets	137,000	103,000
Other managed funds	72,000	45,000
Total market value of assets	1,404,000	1,150,000

The actual return on scheme assets was £101,000 (2018 - £61,000).

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

	2019 £	2018 £
Current service cost	(229,000)	(250,000)
Past service cost	(32,000)	-
Interest cost	(34,000)	(36,000)
Total amount recognised in the Statement of Financial Activities	(295,000)	(286,000)

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

	2019 £	2018 £
At 1 September	2,481,000	2,409,000
Current service cost	229,000	250,000
Interest cost	66,000	63,000
Employee contributions	36,000	35,000
Actuarial losses/(gains)	301,000	(273,000)
Benefits paid	(9,000)	(3,000)
Past service costs	32,000	-
At 31 August	3,136,000	2,481,000

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25. Pension commitments (continued)

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

	2019 £	2018 £
At 1 September	1,150,000	941,000
Interest income	32,000	27,000
Actuarial gains	69,000	34,000
Employer contributions	126,000	116,000
Employee contributions	36,000	35,000
Benefits paid	(9,000)	(3,000)
At 31 August	<u>1,404,000</u>	<u>1,150,000</u>

26. Operating lease commitments

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

	2019 £	2018 £
Not later than 1 year	5,645	5,645
Later than 1 year and not later than 5 years	8,938	14,582
	<u>14,583</u>	<u>20,227</u>

27. Members' liability

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

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28. Related party transactions

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

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

The Trust operates from land and buildings provided rent free by the Diocese of Brentwood. Under an agreement between the Diocese, the Trust and the Secretary of State, the Diocese would be required to give 24 months notice from the year end if it wished to terminate this agreement. No such notice had been given at the year end and the Diocese is therefore committed to providing the land and buildings rent free for a further 36 months from the year end. The Trustees estimate that the cost of renting equivalent buildings would be £96,000 per annum. On this basis a donation from the Diocese of £96,000 is shown in the accounts together with a notional expense of the same amount. In addition, included within debtors and creditors is a donation in kind receivable of £289,000 representing the commitment by the Diocese to provide the land and buildings rent free for a further 36 months.

During the period the Trust incurred expenditure of £5,460 (2018 - £5,810) in relation to educational support services from The Brentwood Roman Catholic Diocesan Trust. Right Reverend A Williams, a member of Our Lady of Fatima Catholic Multi Academy Trust, is a director of the sole trustee of The Brentwood Roman Catholic Diocesan Trust. At the year end no balance was due to The Brentwood Roman Catholic Diocesan Trust. Right Reverend A Williams is entitled to exercise 10% of the voting power of The Brentwood Catholic Diocesan Trust and has no financial or profit share entitlement so transactions with The Brentwood Roman Catholic Diocesan Trust are not subject to the 'at cost' rules set out in the Academies Financial Handbook.

No other related party transactions took place in the year end 31 August 2019.