

OUR LADY OF FATIMA CATHOLIC MULTI ACADEMY TRUST

(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

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 G Reynolds, Chairman Mr I Kendal, Chief Executive Fr Bogdan, Vice Chair Mrs A M Black (resigned 1 September 2022) Mrs M Perry (appointed 20 September 2022)
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
Chief Executive Officer	Mr I Kendal
Senior Management Team	Mr I Kendal Mrs A Black Mrs A Kendal Miss V Kendell
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 2022

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 2022.

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 459 in the spring 2021 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 3 -11 Schools for the year to 31 August 2022.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

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 the Governing Bodies and the sub committees: The Finance & Premises Committee, and the Trust Improvement Committee. The Board of Trustees and Governing Bodies meet, together, once a term, with the Finance and Trust Improvement Committee minutes being reported on at this meeting. Minutes of the termly meetings with LGBs are discussed at 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 2022

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.

Trade union facility time

The Trust had no employees who acted as union officials during the period.

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 2022:

- 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 2022

Strategies and activities

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

- Caritas Curriculum - embedding the Catholic Curriculum ensuring full coverage with enrichment opportunities
- Disadvantaged – Addressing Educational Disadvantage across the Trust
- Embedding positive Learning behaviours in children through effective classroom culture and teaching.
- 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.
- The Trust is the first Multi Academy Trust to be awarded the 'Live Simply Award' by CAFOD
- The Trust is part of Harlow Education Trust.
- 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.
- 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.
- 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.
- Pupils enjoyed a wide range of School trips.
- 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 and has successfully achieved the NPQEL and is a Fellow of the Chartered College of Teachers
- The Heads of School are trained facilitators in for the NPQs
- The school is a 'delivery partner' for the CofE/CES NPQ program

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.

Strategic Report

Achievements and performance

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

- Examination results and other indicators of student progress.
- Staff and department performance monitoring.
- Financial health.
- Stake holder surveys twice a year
- Comparison of performance against other local and national schools.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

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 2022 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

During the period ended 31 August 2022, total expenditure of £2,841,341 was covered by recurrent grant funding from the ESFA together with other incoming resources.

Financial position

The Trust had a fund balance deficit at 31 August 2022 of £339,944 comprising £20,979 of restricted fixed asset funds, £188,077 of unrestricted general funds and a pension reserve deficit of £549,000

At 31 August 2022 the net book value of fixed assets was £20,979 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 of 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 £188,077 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 £549,000. 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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

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 decreases in income affecting provision: The budget for 2022-23 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.
- 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.
- 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, in conjunction with the diocese work to expand the trust in line with the Bishop's direction on academies.

The Trust will expand by the addition of St. John Fisher, Loughton, a 60 entry primary school within the Diocese of Brentwood. As the Trust has been supporting St. John Fisher for some time via our Executive Headteacher it is anticipated that the addition of St John Fisher will be straight forward. This addition will increase the size and standing of the Trust and increase opportunities for the Trust.

The long-standing Chairman of trustees, George Reynolds, will be standing down shortly after the beginning of January, a succession plan is in place which the Trustees believe will be successful and relatively seamless.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

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 14 December 2022 and signed on its behalf by:

Mr G Reynolds
Chair of Trustees

Mr I Kendal

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 2 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 G Reynolds, Chairman	3	3
Mr I Kendal	3	3
Fr Bogdan, Vice Chair	3	3
Mrs A M Black	3	3

Review of year

This year has been stable. The Trustees continue to oversee and review the improvement in the schools it serves. We continue to oversee and audit the finances of the Trust, ensure the curriculum meets the values and vision of the Catholic Church, staff operate in accordance with our policies and the estate is well managed. An audit of the Trustee skills is comprehensive, and we look to appoint a person with skills in Human Resources.

The Trustees receive reports from the Committees, which appropriately challenge and support the Heads of school. In addition, the Board receives an Executive Headteacher report which reports on key indicators of improvement.

Governance reviews

The Board of Trustees meets formally annually. The Board met fewer than six times during the year as the board members attend the Governance meeting. The Board is satisfied that through the use of sub-committees it maintains effective oversight. The Finance Manager provides monthly reports to the chair of Trustees and Finance Committee.

Conflicts of interest

The Trustees maintain an up-to-date and complete register of interests. This is on the Trust website and all staff check this register before adding a new supplier to the finance system. Any changes to the register of Trustee interests are noted at the following Board meeting to it being declared.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Committees

The Finance and Premises Committee is a sub-committee of the main 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.

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	2	2
Fr Bogdan	2	2
Mr I Kendal	2	0

Review of value for money

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

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

- Reviewing annual contracts
- Pooling resources across the Trust
- Applying best practice principles to purchases.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Our Lady of Fatima Catholic Multi Academy Trust for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that has been in place for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the Annual Report and financial statements. This process is regularly reviewed by the Board of Trustees.

OUR LADY OF FATIMA CATHOLIC MULTI ACADEMY TRUST
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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Finance and 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;
- delegation of authority and segregation of duties; and
- identification and management of risks.

Internal Scrutiny/Audit

The Board of Trustees has considered the need for a specific internal audit function and has decided to SBM Services as internal auditor.

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

- Payroll
- Purchasing and Creditors
- Bank & Cash
- Fixed Assets
- Budgeting and Monitoring
- VAT

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

The internal auditor has delivered their schedule of work as planned and there were no material control issues arising as a result of the internal auditor's work.

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 school resource management self-assessment tool;
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.
- the work of the external Auditors;
- correspondence from ESFA e.g. FNTI/NtI and 'minded to' letters.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance committee and ensure continuous improvement of the system is in place.

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GOVERNANCE STATEMENT (CONTINUED)

Approved by the Board of Trustees on 14 December 2022 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 Trust, under the funding agreement in place between the Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

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

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

Mr I Kendal
Accounting Officer
Date: 14 December 2022

OUR LADY OF FATIMA CATHOLIC MULTI ACADEMY TRUST
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2022

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

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

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

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

Approved by the Board of Trustees and signed on its behalf by:

Mr G Reynolds
Chair of Trustees
Date: 14 December 2022

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 2022 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 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 August 2022 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 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and 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

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

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

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

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 other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

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.

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)**

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.

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

We gained an understanding of the legal and regulatory framework applicable to the Trust and the sector in which it operates and considered the risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations. This included those regulations directly related to the financial statements, including financial reporting and tax legislation and academy sector regulations including GDPR, employment law, health and safety and safeguarding.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

- We reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions to identify large or unusual transactions.
- We reviewed key authorisation procedures and decision making processes for any unusual or one-off transactions.
- We reviewed minutes of Trustee Board meetings and other relevant sub-committees of the Board and agreed the financial statement disclosures to underlying supporting documentation.
- We have made enquiries of the senior management team including the Accounting Officer regarding laws and regulations applicable to the Trust and obtained the report details of any breaches where applicable in order to assess the impact upon the Trust.
- We reviewed the risk management processes and procedures in place including a review of the Internal Scrutiny Reports.
- We have reviewed any correspondence with the ESFA/DfE and reviewed the procedures in place for the reporting of incidents to the Trustee Board including serious incident reporting of any such matters to the Regulator if necessary.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

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)**

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.

Tom Meeks (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

15 December 2022

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 AND SKILLS FUNDING
AGENCY**

In accordance with the terms of our engagement letter dated 6 July 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Our Lady of Fatima Catholic Multi Academy Trust during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Our Lady of Fatima Catholic Multi Academy Trust and 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 Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Trust'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 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant
Price Bailey LLP
Chartered Accountants

Date: 15 December 2022

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 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:						
Donations and capital grants	3	2,381	123,561	12,702	138,644	291,233
Other trading activities	5	162,771	-	-	162,771	50,301
Investments	6	20	-	-	20	24
Charitable activities	4	52,003	2,263,968	-	2,315,971	2,356,322
Total income		217,175	2,387,529	12,702	2,617,406	2,697,880
Expenditure on:						
Charitable activities	7	122,340	2,655,217	63,784	2,841,341	2,958,312
Total expenditure		122,340	2,655,217	63,784	2,841,341	2,958,312
Net income/ (expenditure)		94,835	(267,688)	(51,082)	(223,935)	(260,432)
Transfers between funds	18	-	(15,312)	15,312	-	-
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	25	-	2,131,000	-	2,131,000	(67,000)
Net movement in funds		94,835	1,848,000	(35,770)	1,907,065	(327,432)
Reconciliation of funds:						
Total funds brought forward		93,242	(2,397,000)	56,749	(2,247,009)	(1,919,577)
Net movement in funds		94,835	1,848,000	(35,770)	1,907,065	(327,432)
Total funds carried forward		188,077	(549,000)	20,979	(339,944)	(2,247,009)

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

The notes on pages 25 to 51 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 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	14	20,979	20,899
		<u>20,979</u>	<u>20,899</u>
Current assets			
Debtors	15	397,013	396,121
Cash at bank and in hand		460,933	315,370
		<u>857,946</u>	<u>711,491</u>
Creditors: due within one year	16	(419,311)	(333,301)
Net current assets		<u>438,635</u>	<u>378,190</u>
Total assets less current liabilities		<u>459,614</u>	<u>399,089</u>
Creditors: due after more than one year	17	(250,558)	(249,098)
Net assets excluding pension liability		<u>209,056</u>	<u>149,991</u>
Defined benefit pension scheme liability	25	(549,000)	(2,397,000)
Total net assets		<u><u>(339,944)</u></u>	<u><u>(2,247,009)</u></u>
Funds of the Trust			
Restricted funds:			
Fixed asset funds	18	20,979	56,749
Restricted income funds	18	(549,000)	(2,397,000)
Total restricted funds	18	<u>(528,021)</u>	<u>(2,340,251)</u>
Unrestricted income funds	18	<u>188,077</u>	<u>93,242</u>
Total funds		<u><u>(339,944)</u></u>	<u><u>(2,247,009)</u></u>

The financial statements on pages 21 to 51 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

Mr G Reynolds
Chair of Trustees
Date: 14 December 2022

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

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2022

The notes on pages 25 to 51 form part of these financial statements.

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

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	20	174,395	(79,013)
Cash flows from investing activities	22	(15,292)	(22,924)
Cash flows from financing activities	21	(13,540)	(8,782)
Change in cash and cash equivalents in the year		145,563	(110,719)
Cash and cash equivalents at the beginning of the year		315,370	426,089
Cash and cash equivalents at the end of the year	23, 24	460,933	315,370

The notes on pages 25 to 51 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 2022

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 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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.

The Academy derives the majority of its income from local and national government grant funding which is secured for a number of years, under the terms of the Academy Funding Agreement with the Secretary of State for Education. This will ensure that the Academy can continue operating for a period of at least 12 months following the date of this report. The financial statements do not contain any adjustments that would be required if the Academy were not able to continue as a going concern.

In reaching their conclusions on the continued adoption of the going concern basis the Trustees have taken account of the fact that the financial Statements show net liabilities of £339,944. These liabilities are caused by the LGPS pension deficit of £549,000. As noted in the Trustees' Report this deficit does not mean that an immediate liability for the amount crystallises but does result in a cash flow effect in the form of increased employer contributions over a number of years, all of which are included within the Trust's normal operating budget.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

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.

- **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 2022

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

1.10 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.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

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.

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.

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.

OUR LADY OF FATIMA CATHOLIC MULTI ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.15 Pensions (continued)

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.

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 2019 has been used by the Actuary in valuing the pensions liability at 31 August 2022. 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.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

3. Income from donations and capital grants

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	2,381	19,561	-	21,942	29,771
Notional rent (see note 28)	-	104,000	-	104,000	96,000
Capital grants	-	-	12,702	12,702	165,462
Total 2022	<u>2,381</u>	<u>123,561</u>	<u>12,702</u>	<u>138,644</u>	<u>291,233</u>
Total 2021	<u>1,321</u>	<u>101,502</u>	<u>188,410</u>	<u>291,233</u>	

In 2021, income from donations was £29,771 of which £1,321 was unrestricted and £28,450 restricted.

In 2021, notional rent was £96,000 of which all was restricted.

In 2021, capital grants of £165,462 were in relation to restricted fixed assets.

OUR LADY OF FATIMA CATHOLIC MULTI ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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4. Funding for the Trust's charitable activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Provision of education				
DfE/ESFA grants				
General Annual Grant (GAG)	-	1,826,285	1,826,285	1,728,027
Other DfE/ESFA grants				
Pupil Premium	-	75,424	75,424	60,831
Start up grant	-	25,000	25,000	-
PE Teachers Grant	-	35,470	35,470	35,530
Infant FSM	-	57,396	57,396	50,240
Teachers Pay Grant	-	2,128	2,128	84,639
Covid 19 Catch Up	-	-	-	32,760
Free School Meals Supplementary Grant	-	-	-	9,900
Academies Emergency Support	-	-	-	2,091
Teacher Training Services	-	-	-	57,000
Rates Relief	-	8,012	8,012	8,012
Other ESFA Grants	-	3,600	3,600	-
Teachers Pension Grant	-	6,013	6,013	-
Recovery Premium	-	8,157	8,157	-
Supplementary Grant	-	22,468	22,468	-
	-	2,069,953	2,069,953	2,069,030
Other Government grants				
Local Authority grants	-	194,015	194,015	253,759
	-	194,015	194,015	253,759
Other funding				
Catering income	52,003	-	52,003	33,533
	52,003	-	52,003	33,533
Total 2022	52,003	2,263,968	2,315,971	2,356,322
Total 2021	33,533	2,322,789	2,356,322	

In 2021, income from DfE/ESFA grants was £2,069,030 of which all was restricted.

In 2021, income from other government grants was £253,759 of which all was restricted.

In 2021, income from catering was £33,533 of which all was unrestricted.

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5. Income from other trading activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Other activities	65,533	65,533	50,301
Consultancy income	97,238	97,238	-
	<u> </u>	<u> </u>	<u> </u>

In 2021, all income from other activities was unrestricted.

6. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Bank interest	20	20	24
	<u> </u>	<u> </u>	<u> </u>
Total 2021	24	24	
	<u> </u>	<u> </u>	

In 2021, all income from investments was unrestricted.

7. Expenditure

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £	Total 2021 £
Provision of education:					
Direct costs	1,670,668	-	67,089	1,737,757	1,737,716
Support costs	596,522	227,237	279,825	1,103,584	1,220,596
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total 2022	2,267,190	227,237	346,914	2,841,341	2,958,312
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total 2021	2,277,908	223,416	456,988	2,958,312	
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	

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7. Expenditure (continued)

In 2022, of the total expenditure, £122,340 (2021 - £156,219) was from unrestricted funds, £2,655,217 (2021 - £2,655,291) was from restricted funds and £63,784 (2021 - £146,802) was from restricted fixed asset funds.

In 2021, direct expenditure consisted of £1,705,314 staff costs and £32,402 other costs.

In 2021, support expenditure consisted of £572,594 staff costs, £223,416 premises costs and £456,988 other costs.

8. Support costs

	2022 £	2021 £
Direct costs	1,737,757	1,737,716
Support costs	1,103,584	1,220,596
	<u>2,841,341</u>	<u>2,958,312</u>

	2022 £	2021 £
Analysis of support costs		
Support staff costs	596,522	572,594
Depreciation	15,232	17,190
Technology costs	20,947	33,416
Premises costs	212,005	206,226
Other costs	245,515	379,740
Governance costs	13,363	11,430
	<u>1,103,584</u>	<u>1,220,596</u>

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2022 £	2021 £
Operating lease rentals	68,291	68,790
Depreciation of tangible fixed assets	15,232	17,190
Fees paid to Auditors for:		
- audit	6,315	5,960
- other services	6,620	6,245
	<u>6,620</u>	<u>6,245</u>

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10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2022 £	2021 £
Wages and salaries	1,538,613	1,593,503
Social security costs	128,055	126,399
Pension costs	600,522	558,006
	<u>2,267,190</u>	<u>2,277,908</u>

b. Staff numbers

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

	2022 No.	2021 No.
Teachers	18	21
Administration and support	56	61
Management	4	4
	<u>78</u>	<u>86</u>

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10. Staff (continued)

c. Higher paid staff

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

	2022 No.	2021 No.
In the band £90,001 - £100,000	-	1
In the band £100,001 - £110,000	1	-
	<u>1</u>	<u>-</u>

d. Key management personnel

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Trust was £358,502 (2021: £343,772).

Employer pension contributions included within key management personnel remuneration were £62,391 (2021: £60,050).

Employer national insurance contributions included within key management personnel remuneration were £32,634 (2021: £30,135).

11. Central services

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

	2022 £	2021 £
St Alban's Catholic Academy	161,999	236,601
St Luke's Catholic Primary School	162,000	236,601
Total	<u>323,999</u>	<u>473,202</u>

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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:

		2022 £	2021 £
Mr I Kendal, Chief Executive Officer	Remuneration	100,000 - 105,000	95,000 - 100,000
	Pension contributions paid	20,000 - 25,000	20,000 - 25,000
Mrs A Black	Remuneration	50,000 - 55,000	50,000 - 55,000
	Pension contributions paid	10,000 - 15,000	10,000 - 15,000

During the year ended 31 August 2022, expenses totalling £147 were reimbursed or paid directly to 2 Trustees (2021 - £623 to 2 Trustees) for expenses incurred as part of their employment as staff members.

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 2022 was £17,091 (2021 - £10,902). The cost of this insurance is included in the total insurance cost.

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14. Tangible fixed assets

	Furniture and equipment £
Cost or valuation	
At 1 September 2021	295,584
Additions	15,312
Disposals	(160)
At 31 August 2022	<u>310,736</u>
Depreciation	
At 1 September 2021	274,685
Charge for the year	15,232
On disposals	(160)
At 31 August 2022	<u>289,757</u>
Net book value	
At 31 August 2022	<u><u>20,979</u></u>
At 31 August 2021	<u><u>20,899</u></u>

15. Debtors

	2022 £	2021 £
Due after more than one year		
Notional rental debtor (see note 28)	208,000	193,000
	<u>208,000</u>	<u>193,000</u>
Due within one year		
Trade debtors	42,997	5,386
VAT repayable	5,121	21,104
Other debtors	104,000	96,000
Prepayments and accrued income	36,895	80,631
	<u><u>397,013</u></u>	<u><u>396,121</u></u>

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16. Creditors: Amounts falling due within one year

	2022 £	2021 £
Salix loans	13,540	13,540
Trade creditors	31,265	12,471
Other taxation and social security	29,562	29,806
Other creditors	199,225	133,079
Accruals and deferred income	145,719	144,405
	<u>419,311</u>	<u>333,301</u>
	2022 £	2021 £
Deferred income at 1 September 2021	58,449	66,980
Resources deferred during the year	80,266	58,449
Amounts released from previous periods	(58,449)	(66,980)
	<u>80,266</u>	<u>58,449</u>

Resources deferred at the period end relate to contributions towards future educational visits and free school meal income received in advance for academic year 2022/23.

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

	2022 £	2021 £
Salix loans	42,558	56,098
Other creditors	208,000	193,000
	<u>250,558</u>	<u>249,098</u>

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

	2022 £	2021 £
Payable or repayable by instalments	5,291	14,674
	<u>5,291</u>	<u>14,674</u>

Salix Loans of £108,000 from the Department of Education have been provided on the following terms of 0% interest for up to 8 years.

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
General funds	93,242	217,175	(122,340)	-	-	188,077
Restricted general funds						
GAG	-	1,826,285	(1,810,973)	(15,312)	-	-
Other DfE/ESFA Grants	-	243,668	(243,668)	-	-	-
Other Government Grants	-	194,015	(194,015)	-	-	-
Restricted Trip Donations	-	19,561	(19,561)	-	-	-
Donation in kind	-	104,000	(104,000)	-	-	-
Pension reserve	(2,397,000)	-	(283,000)	-	2,131,000	(549,000)
	<u>(2,397,000)</u>	<u>2,387,529</u>	<u>(2,655,217)</u>	<u>(15,312)</u>	<u>2,131,000</u>	<u>(549,000)</u>
Restricted fixed asset funds						
Fixed assets	20,899	-	(15,232)	15,312	-	20,979
DFC	-	12,702	(12,702)	-	-	-
CIF	35,850	-	(35,850)	-	-	-
	<u>56,749</u>	<u>12,702</u>	<u>(63,784)</u>	<u>15,312</u>	<u>-</u>	<u>20,979</u>
Total Restricted funds	<u>(2,340,251)</u>	<u>2,400,231</u>	<u>(2,719,001)</u>	<u>-</u>	<u>2,131,000</u>	<u>(528,021)</u>
Total funds	<u><u>(2,247,009)</u></u>	<u><u>2,617,406</u></u>	<u><u>(2,841,341)</u></u>	<u><u>-</u></u>	<u><u>2,131,000</u></u>	<u><u>(339,944)</u></u>

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18. 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

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

Restricted trip donations

This represents 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.

Devolved Formula Capital (DFC)

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

CIF Fund

These funds were used to replace the windows at St Albans school.

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

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18. Statement of funds (continued)

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds					
General funds	164,282	85,179	(156,219)	-	93,242
	<u>164,282</u>	<u>85,179</u>	<u>(156,219)</u>	<u>-</u>	<u>93,242</u>
Restricted general funds					
GAG	-	1,728,027	(1,728,027)	-	-
Other DfE/ESFA Grants	-	341,003	(341,003)	-	-
Other Government Grants	-	253,759	(253,759)	-	-
Restricted Trip Donations	-	5,502	(5,502)	-	-
Donation in kind	-	96,000	(96,000)	-	-
Pension reserve	(2,099,000)	-	(231,000)	(67,000)	(2,397,000)
	<u>(2,099,000)</u>	<u>2,424,291</u>	<u>(2,655,291)</u>	<u>(67,000)</u>	<u>(2,397,000)</u>
Restricted fixed asset funds					
Fixed assets	15,141	22,948	(17,190)	-	20,899
DFC	-	13,317	(13,317)	-	-
CIF	-	152,145	(116,295)	-	35,850
	<u>15,141</u>	<u>188,410</u>	<u>(146,802)</u>	<u>-</u>	<u>56,749</u>
Total Restricted funds	<u>(2,083,859)</u>	<u>2,612,701</u>	<u>(2,802,093)</u>	<u>(67,000)</u>	<u>(2,340,251)</u>
Total funds	<u><u>(1,919,577)</u></u>	<u><u>2,697,880</u></u>	<u><u>(2,958,312)</u></u>	<u><u>(67,000)</u></u>	<u><u>(2,247,009)</u></u>

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

Total funds analysis by Academy

Fund balances at 31 August 2022 were allocated as follows:

	2022 £	2021 £
St Alban's Catholic Academy	270,649	191,122
St Luke's Catholic Primary School	(82,572)	(97,880)
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	188,077	93,242
Restricted fixed asset fund	20,979	56,749
Pension reserve	(549,000)	(2,397,000)
	<hr/>	<hr/>
Total	(339,944)	(2,247,009)
	<hr/> <hr/>	<hr/> <hr/>

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

	Deficit £
St Luke's Catholic Primary School	(82,572)
	<hr/> <hr/>

The deficit at St Luke's is a result of the heating and distribution and electrical re-wiring works undertaken at St Luke's in 2020-2021 and high SEND staffing support.

The Trust is taking the following action to return the academy to surplus:

The Academy is monitoring expenses going forward to ensure the school is moving back into a surplus position.

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18. Statement of funds (continued)

Total cost analysis by Academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2022 £	Total 2021 £
St Alban's Catholic Academy	763,838	260,810	27,010	217,921	1,269,579	1,323,735
St Luke's Catholic Primary School	697,002	241,641	31,130	143,446	1,113,219	1,048,185
Central services	209,828	94,071	-	139,412	443,311	569,202
Trust	1,670,668	596,522	58,140	500,779	2,826,109	2,941,122

In 2021 Teaching and educational support staff costs was £1,705,314 of which £744,211 was by spent by St Alban's, £630,752 by St Luke's and £330,351 from central services.

In 2021, other support staff costs was £572,594 of which £249,258 was by spent by St Alban's, £215,713 by St Luke's and £107,623 from central services.

In 2021, educational supplies was £21,154 of which £10,551 was by spent by St Alban's, £10,603 by St Luke's.

In 2021, other costs excluding depreciation was £642,060 of which £319,715 was by spent by St Alban's, £191,117 by St Luke's and £131,228 from central services.

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	20,979	20,979
Debtors due after more than one year	-	208,000	-	208,000
Current assets	222,280	371,568	56,098	649,946
Creditors due within one year	(34,203)	(371,568)	(13,540)	(419,311)
Creditors due in more than one year	-	(208,000)	(42,558)	(250,558)
Provisions for liabilities and charges	-	(549,000)	-	(549,000)
Total	188,077	(549,000)	20,979	(339,944)

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	20,899	20,899
Debtors due after more than one year	-	193,000	-	193,000
Current assets	93,242	292,365	132,884	518,491
Creditors due within one year	-	(292,365)	(40,936)	(333,301)
Creditors due in more than one year	-	(193,000)	(56,098)	(249,098)
Provisions for liabilities and charges	-	(2,397,000)	-	(2,397,000)
Total	93,242	(2,397,000)	56,749	(2,247,009)

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20. Reconciliation of net expenditure to net cash flow from operating activities

	2022 £	2021 £
Net expenditure for the year (as per Statement of Financial Activities)	(223,935)	(260,432)
Adjustments for:		
Depreciation	15,232	17,190
Interest receivable	(20)	(24)
Increase in debtors	(892)	(55,175)
Increase/(decrease) in creditors	101,010	(11,572)
Defined benefit pension scheme	283,000	231,000
Net cash provided by/(used in) operating activities	174,395	(79,013)

21. Cash flows from financing activities

	2022 £	2021 £
Repayments of Salix	(13,540)	(8,782)
Net cash used in financing activities	(13,540)	(8,782)

22. Cash flows from investing activities

	2022 £	2021 £
Interest received	20	24
Purchase of tangible fixed assets	(15,312)	(22,948)
Net cash used in investing activities	(15,292)	(22,924)

23. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand and at bank	460,933	315,370
Total cash and cash equivalents	460,933	315,370

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24. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	315,370	145,563	460,933
Debt due within 1 year	(13,540)	-	(13,540)
Debt due after 1 year	(56,098)	13,540	(42,558)
	<u>245,732</u>	<u>159,103</u>	<u>404,835</u>

25. Pension commitments

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

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

Contributions amounting to £39,495 were payable to the schemes at 31 August 2022 (2021 - £38,072) and are included within creditors.

Teachers' Pension Scheme

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

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

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25. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the year amounted to £192,314 (2021 - £203,691).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £203,000 (2021 - £202,000), of which employer's contributions totalled £163,000 (2021 - £160,000) and employees' contributions totalled £ 40,000 (2021 - £42,000). 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.

As described in note the LGPS obligation relates to the employees of the Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Trust at the balance sheet date.

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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25. Pension commitments (continued)

Principal actuarial assumptions

	2022 %	2021 %
Rate of increase in salaries	3.95	3.90
Rate of increase for pensions in payment/inflation	2.95	2.90
Discount rate for scheme liabilities	4.25	1.65
Inflation assumption (CPI)	2.95	2.90

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

	2022 Years	2021 Years
Retiring today		
Males	21.0	21.6
Females	23.5	23.6
Retiring in 20 years		
Males	22.3	22.9
Females	24.9	25.1

As at the 31 August the Trust had a pension liability of £549,000 (2021 - £2,397,000). The sensitivity analysis detailed below would increase/ (decrease) the closing defined benefit obligation in the following way.

Sensitivity analysis

	2022 £000	2021 £000
Discount rate +0.1%	(65,000)	(106,000)
Discount rate -0.1%	66,000	108,000
Mortality assumption - 1 year increase	81,000	179,000
Mortality assumption - 1 year decrease	(78,000)	(171,000)
CPI rate +0.1%	63,000	100,000
CPI rate -0.1%	(62,000)	(99,000)

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25. Pension commitments (continued)

Share of scheme assets

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

	At 31 August 2022 £	At 31 August 2021 £
Equities	1,293,000	1,359,000
Gilts	44,000	54,000
Other bonds	101,000	99,000
Property	218,000	148,000
Cash and other liquid assets	69,000	59,000
Alternative assets	344,000	236,000
Other managed funds	229,000	170,000
Total market value of assets	<u>2,298,000</u>	<u>2,125,000</u>

The actual return on scheme assets was £7,000 (2021 - £382,000).

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

	2022 £	2021 £
Current service cost	(406,000)	(358,000)
Interest cost	(39,000)	(32,000)
Administrative expenses	(1,000)	-
Total amount recognised in the Statement of Financial Activities	<u>(446,000)</u>	<u>(390,000)</u>

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

	2022 £	2021 £
At 1 September	4,522,000	3,691,000
Current service cost	406,000	358,000
Interest cost	75,000	59,000
Employee contributions	40,000	42,000
Actuarial (gains)/losses	(2,160,000)	422,000
Benefits paid	(36,000)	(50,000)
At 31 August	<u>2,847,000</u>	<u>4,522,000</u>

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25. Pension commitments (continued)

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

	2022 £	2021 £
At 1 September	2,125,000	1,592,000
Interest income	36,000	27,000
Actuarial (losses)/gains	(29,000)	355,000
Employer contributions	163,000	160,000
Employee contributions	40,000	42,000
Benefits paid	(36,000)	(50,000)
Admin expenses	(1,000)	(1,000)
At 31 August	<u>2,298,000</u>	<u>2,125,000</u>

26. Operating lease commitments

At 31 August 2022 the Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	2021 £
Not later than 1 year	64,086	68,320
Later than 1 year and not later than 5 years	-	64,086
	<u>64,086</u>	<u>132,406</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 and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trustee have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

One Trustee has a spouse employed by the Trust as a teaching staff member on a contract approved by Trustees. The remuneration package is in line with the standard payscale for this role undertaken and their contract of employment is subject to the normal terms and conditions.

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 £104,000 per annum. On this basis a donation from the Diocese of £104,000 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 £312,000 representing the commitment by the Diocese to provide the land and buildings rent free for a further 36 months.

No other related party transactions took place in the period of account (2021: £NIL), other than the above and certain Trustees' remuneration and expenses are already disclosed in note 12.

29. Post balance sheet events

On 1 October 2022 St John Fisher Catholic Primary School converted to academy trust status under the Academies Act 2010 and all operations and assets and liabilities were transferred to Our Lady of Fatima Catholic Multi Academy Trust from Essex County Council for £NIL consideration.