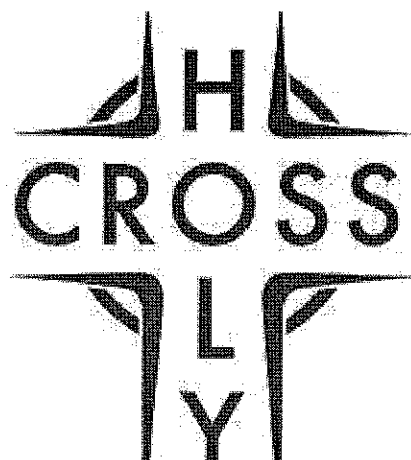


HOLY CROSS CATHOLIC PRIMARY SCHOOL



Holy Cross Catholic Primary School Academy Trust

Annual Report and Financial Statements

Year ended 31 August 2020

Registered Office

Holy Cross Catholic Primary School
Queens Drive
Swindon
SN3 1AR

(A company limited by guarantee)
Company Registration Number: 07696905
(England and Wales)

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Mission Statement

Learn, Grow, Love and Live

At Holy Cross Catholic Primary School

we learn about ourselves and about the world,

We grow in faith,

we act with kindness, generosity and love

to ourselves and others.

We live life to the full and have a future full of hope.

Reference and Administrative details

The following trustees held office for the whole period unless otherwise indicated

Members of the Academy Bishop D Lang
CCDEF
Mrs M Holliday

Trustees

Mrs M Holliday	Chair of Trustees/Foundation Trustee	
Mr L Mochan	Foundation Trustee	Term ended 31.3.20, reappointed 24.4.20
John Clifford	Foundation Trustee	Appointed 28.2.20
Ben Starczewski	Foundation Trustee	Appointed 1.11.19
Mrs J D'Souza	Parent Trustee to 3.8.20	Foundation Trustee from 4.8.20
Mrs S D'Costa	Staff Trustee	
Paul Hughes	Ex Officio	Term ended 2.4.20
Mrs M Hryb	Foundation Trustee	Resigned 31.10.19
Canon J Cunningham	Foundation Trustee	Resigned 31.3.20
Karen Salter	Ex officio	Appointed 7.5.20, ended 31.8.20
Mr R Christian	Staff Trustee	Resigned 1.7.20
Mr A Henstridge	Ex Officio	Appointed 1.7.20
Mr P Wright	Parent Trustee	Appointed 21.10.20
Mrs D Reitumetse	Parent Trustee	Appointed 20.10.20

Company Secretary Mandy Mercer

Senior Management Team

Mr P.Hughes	Resigned 31.3.20
Mr A Henstridge	Executive Headteacher (1.4.20)
Mrs K Salter	Head of School, Accounting Officer
Mrs S Dowdeswell	Assistant Head of School
Mrs E O'Neill	Special Education Needs Co-ordinator

Principal and Registered Office Holy Cross Catholic Primary School
Queens Drive
Swindon
SN3 1AR

Company Registration No. 07696905

Company Name Holy Cross Catholic Primary School

Independent Auditors MHA Monahans Statutory Auditors
38 – 42 Newport Street
Swindon, SN1 3DR

Bankers Lloyds TSB
5 High Street
Swindon, SN1 3EN

Solicitors WVW
Orchard Court, Orchard Lane
Bristol, BA1 5WS

Trustees' Report

The trustees present their annual report together with the audited financial statements of the Academy for the year ended 31st August 2020. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates an Academy for pupils of different abilities between the ages of 4 and 11 with an emphasis on maintaining the Academy's Catholicity.

Structure, Governance and Management Constitution

The Academy Trust is a company limited by guarantee and an exempt charity, incorporated on 7th July 2011 and converted on 1st August 2011. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The trustees act as trustees for the charitable activities of Holy Cross Catholic Primary School (the Academy) and are also directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Holy Cross Catholic Primary School. Details of the trustees who served throughout the year are included in the Reference and Administrative Details on page 4.

Members' Liability

Each member of the Academy undertakes to contribute to the assets of the Academy 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 ceased to be a member.

Trustees' Indemnities

In accordance with the Companies Act 2006 it is confirmed that the Academy's insurance cover includes trustees' indemnity.

Method of Recruitment and Appointment of Election of Trustees

The Diocesan Bishop, following any recommendation from the Diocesan Education Trustees, may appoint the 11 Foundation Trustees, 3 of whom at least shall be eligible for election or appointment as Parent Trustees. The Board of trustees may appoint the Staff Trustees through such process as they may determine, provided that the total number of trustees who are employees of the Academy Trust does not exceed one third of the total number of trustees.

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for trustees will depend on their existing experience. Where necessary, induction will provide training on charity, educational, legal and financial matters. All new trustees will be given a tour of the Academy and the opportunity to meet with staff and pupils. All new trustees have an appointed mentor and are directed to policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to be familiar with in order to undertake their roles as trustees. As there are normally only two or three new trustees a year, induction tends to be done informally and is tailored specifically to the individual.

Organisational Structure

The Academy had a leadership structure consisting of the Trustees, Executive Headteacher, Head of School and Senior Management Team. The aim of the leadership structure is to devolve responsibility and to encourage involvement in decision making at all levels. The Head of School is the Accounting Officer.

Related Parties and other Connected Charities and Organisations

The Executive Headteacher is also the Executive Headteacher of St Mary's Catholic Primary School and St Catherine's Catholic Primary School, who Holy Cross have strong links with and is working in close collaboration with.

In 2019/2020, the Trust had in place formal collaborative agreements with St Joseph's Catholic College. These have now ceased and an application for a multi academy trust (MAT) has been put on hold. The trustees of Holy Cross have continued discussions with schools within the Samuel Partnership regarding possible MAT structures. It is hoped that a further application will be submitted in 2020/2021 pending further discussion and agreement.

Arrangement for setting pay and remuneration of key management personnel

The key management personnel of the academy trust comprise of the trustees and the senior management as listed on page 4. There is a pay policy which complies with the School Teachers' Pay and Conditions Document (STPCD) for 1st September 2019 to 31st August 2020 and applies to all teaching staff employed at Holy Cross Catholic Primary School. For all operations staff the Academy has agreed to follow the pay structure of the Local Authority (Swindon Borough Council) and implement all pay recommendations agreed by the relevant unions. The trustees (excluding staff) do not receive any pay/remuneration for carrying out their roles.

Objectives and Activities

Objects and Aims

The Academy Trust's object is specifically restricted to the following:
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 a Catholic school designated as such which shall offer a broad and balance curriculum and shall be conducted in accordance with the principles, practises and tenets of the Catholic Church and all Catholic canon law applying thereto including any trust deed governing the use of land by the Academy both generally and in particular in relation to arranging for religious education and daily acts of worship and having regard to any advice and following directives issued by the Diocesan Bishop.

The main objectives of the Academy during the year ended 31st August 2020 are summarised below:

- To ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care; and to raise the standard of educational achievement of all pupils; and
- To improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review; and
- To provide value for money for the funds expended; and

- To comply with all appropriate statutory and curriculum requirements; and
- To maintain close links with St Mary's Catholic Primary School, St Catherine's Catholic Primary School and all the Samuel Partnership of Catholic schools in Swindon and the Diocese of Clifton; and
- To conduct the Academy's business in accordance with the highest standards of integrity, probity and openness

In 2019/2020, Covid-19 presented many challenges for all areas of society. Academy Trusts and schools were faced with significant changes which were beyond anything experienced before.

The lockdown period meant that the Trust had to adapt all aspects of its work at all levels:

- Governance
- Finance and Administration
- Leadership
- Teaching and Learning
- Community Cohesion

Governance of the school continued except for the school improvement committee. Trustee meetings were held in line with normal scheduling and additional meetings were held to ensure that processes and procedures relating to the Department for Education guidelines for Covid-19 were fully in place.

Effective 'virtual' meetings ensured Trustees had an overview of the school. The level of Trustee challenge and support ensured the Trust continued to improve and focus on key areas for development. All statutory returns were completed timely and all financial monitoring and oversight procedures were followed. Additional visits from external finance consultants ensured financial systems and processes were robust.

Day to day management of finances and administration continued as normal.

The leadership team continued to have a presence at the Trust throughout lockdown and managed and led the school highly effectively during this period. All returns and arrangements for pupils with special educational needs and those identified as being vulnerable were in place and completed.

Remote teaching effectively introduced throughout lockdown to ensure all pupils could continue with their studies. Teaching and support staff engaged with learners and provided a level of education to a high standard. This was reported to the Trust regularly from parents of the pupils and the pupils themselves.

Close contact with the community was maintained throughout lockdown and several focal points on the Trust website ensured that interactive communication continued.

The Trust is rightly proud of the adjustments to 'school life' which happened as a result of lockdown and this has been demonstrated by the positive way pupils have returned in September 2020.

Due to Covid-19 there was no requirement to submit pupil data in line with the normal statutory data points. 'In school data' demonstrates that this would have been in line with outcomes from previous academic years at all points. This continues to show the strong progress that children make and demonstrates the impact of effective teaching over time

The Academy has also worked hard to both maintain and enhance its Catholicity. Staff and children enjoy using the God Matters Scheme and a system of assessment is in place to ensure that work is appropriately differentiated, that children are challenged and their progress is tracked. In November 2015, inspectors from the Diocese of Clifton visited the school to carry out the RE inspection. This involved scrutiny of lessons, acts of worship and children's work to determine 'how good outcomes are for the pupils'; how effective are leaders and trustees in developing the Catholic life of the school' and effectiveness of 'the provision for Catholic Education'. The outcome was that the Academy is 'Outstanding' with inspectors commenting that, the board of trustees remains deeply committed to the sustaining the high standards of its Catholic life and RE'. Being graded as 'Outstanding', which has been acknowledged by the Bishop, is richly deserved as the whole school staff work tirelessly to maintain and enhance the Catholicity of the Academy, in particular the RE co-ordinator who leads with initiatives, including networking with other schools and complementing directives from the Diocese.

During the school week there are two whole school assemblies which focus on the liturgical year, special events and PSHCE with a Christian bias. A weekly hymn practise has aspects of reflection and worship built in. A celebration assembly on Friday finishes every week on a very positive note with children receiving certificates, trophies and medals for endeavour and attainment as well as demonstrating Christian Virtues.

Objectives, Strategies and Activities

The Academy's main strategy is encompassed in its Mission, Values and Vision Statement (please refer to the front page for our summary Mission statement and our website for the full statement). To this end the activities provided include:

- Tuition and learning opportunities for all pupils to attain appropriate progression and attainment; and
- Training opportunities for all staff; and
- A programme of sporting and after school activities for all pupils; and
- A commitment to the Catholic ethos, including fund raising activities in support of charities chosen by the School Council

The Academy has been holds several awards: the Dyslexia Friendly Award; the British Council Full International Award and the School Games Award.

With regard to international dimension, the Academy has maintained good links with schools in other countries. French is taught throughout the Academy and we have a partner in school in Poitiers. The Academy encourages children to celebrate their countries of family origin and parents are invited into school to share their experiences.

Pupil Voice is very strong in the school. There is a School Council which has representation from all classes and a small budget from the PFA. School Travel Ambassadors are engaged in a project with the Local Authority to improve safety in the vicinity of the Academy and to update the School Travel Plan. This group received a special award for its work from the Local Authority. Pupils are encouraged to participate in a Citizenship award program and the children in Upper Key Stage 2 participate in the council run Junior Good Citizen event.

A vibrant PFA committee ensures that the Academy has additional funding for additional resources and, more importantly, creates opportunity for the whole school community to come together for social events, organised events included children's discos, a family fun evening, a Christmas fayre, a sponsored walk and an Easter egg hunt. The PFA also funded

the Christmas pantomime. In the past year money raised by the PFA has helped to fund playground equipment, the refit of the new library and reading books for the classrooms.

The Academy recognises the value of, and is committed to, the continued professional development of all staff. The SENCO has achieved the National Award for SEN. External and in-house training was made available to all staff and covered a range of relevant subjects including Child Protection and Safeguarding. In addition to other well-structured Staff Development days, the Academy joins with other Catholic schools in the Partnership for a designated RE focus day.

The After School care provision has continued to be a huge success, providing parents with structured after school care under the supervision of a school staff.

The trustees recognise that equal opportunities should be an integral part of good practice within the workplace. The Academy aims to establish equal opportunities in all area of its activities including creating a working environment in which the contribution and needs of all people are fully valued. The Academy operates an Equality Scheme, details of which can be found on the Academy website.

During the Academy day, pupils are have the opportunity to participate in a broad range of experiences and Staff offer a wide range of extra-curricular activities. There is also an after school Faith Group in which children supported by members of school staff develop their own faith and also lead the Chaplaincy plan for the school.

The Academy make fully use of the resources available them within the local and wider community to provide the children with a range of 'cultural capital' experiences.

The Academy hosts a number of special events for children including theatre groups and music roadshows. Two Christmas productions were performed with parents invited to watch and the annual Easter service of Crown for Christ was a thoughtful and meaningful reflection on the Easter story.

Public Benefit

The trustees have paid due regard to the Charity Commission guidance on public benefit in deciding what activities the charity should undertake. The trustees consider that they have acted in the public benefit. The Academy has used its Pupil Premium funding to support pupils through small group tuition; Family Learning sessions; EAL training; assistance with payment of swimming tuition and school trips.

The Academy has good links with the local community and regularly featured in the local paper, the Swindon Advertiser, because interesting things have been happening. A good example is our work with Better Leisure around Winter Water Safety.

The Academy regularly participates in community events such as the Swindon Junior Music Festivals and events in the local community such as the Broad Green Street Festival. The Academy also takes part in the annual anti-bullying events, organised by the Local Safeguarding Board.

Achievements and Performance

The Academy has completed its eighth year of operation. It has always pursued the importance of performance indicators to ensure that it strives for both educational and

financial excellence, however the most recent Ofsted inspection in October 2019, graded the school as Requires Improvement. This was based around 3 key areas for Curriculum Planning and development of a broader curriculum, Reading, and Subject Leadership.

Pupil Tracking and Assessment

The Academy is a 4-11 primary school. During 2019 – 2020 the Academy had 11 classes. Trustees and Senior Management Team ensure that the focus is on continuous improvement in pupils' achievement and attainment.

This is achieved through the following:

- A robust system of performance management for all staff, with a focus on attainment
- A commitment to quality continuous professional development for all staff
- Excellent staff/pupil ratio
- A system of 1:1 and small group support for pupils who require it
- An efficient and effective target setting and tracking system
- Excellent communication and support systems between the Academy and home
- A commitment to quality assurance through external agencies, e.g. Basic Skills Quality Mark

To ensure that standards are continually raised, the Academy:

- Operates a programme of lesson observations
- Completes analysis of value added via teacher assessments and formal test results
- Completes comparison of progression and test results using ASP and data produced by Swindon Borough Council

Key Performance Indicators

Educational indicators include teacher assessments and analysis of 'valued added' progress. The Academy is also monitored through the completion and submission to the Education and Skills Funding Agency of:

- The ESFA budget monitoring form; and
- The Academies budget forecast return

Going Concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Practices. The trustees note that the academy trust will continue to explore closer collaboration through a Multi-Academy Trust. At the date of approval of these finance statements, a formal decision on submitting an application has not been approved.

Financial Review

The principal source of funding is from the Department for Education, via the Education and Skills Funding Agency. This funding has supported the key objectives of the Academy. The

bulk of the Academy's funding is the General Annual Grant (restricted funding) and the Academy also receives grants for fixed assets from the Department of Education. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2019), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of assets concerned, in line with the rates contained in the Academy's Accounting Policy.

Detailed reports on the financial status of the Academy and projected position are delivered at Trustees Committee meeting.

Total funds at 1st September 2020	=	-£239,455 (2019 -£126,144)
Total income for the year	=	£1,459,199 (2019 £1,411,600)
Total expenditure for the year	=	£1,512,510 (2019 £1,440,233)

The Academy made an in year surplus of £29,361 (being the movement in unrestricted funds and restricted funds (excluding pension reserve)). At the 31 August 2020 the actual position of reserves was £122,553 (being the total balance at 31st August 2020 on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds).

The deficit on the defined benefit pension scheme increased from £607,000 to £745,000.

Please refer to the year-end accounts for further details and information regarding the Academy's finances.

Reserves Policy

The Trustees aim to maintain free reserves to ensure that there is sufficient working capital to cover delays between appending and receipts of grants and to provide the ability to deal with unexpected emergencies such as urgent maintenance. The Trustees have determined that the appropriate level of free cash reserves should be approximately £115,000, representing one month's charitable activities resources expended (excluding depreciation). However, the trustees note that the Academy is currently in the transition period of expanding into an all through primary school so during this period the required reserve balance may change.

As at 31st August 2020, the Academy had free reserves (total funds less the amount held in fixed assets and restricted funds) of £110,702 (2019: £85,640). The Academy also held an amount of £11,851 (2019: £7,552) on restricted general funds. The reserves held in line with the required level. The Academy is continuing to undertake fund generating activities and continues to review its costs to maintain the required level of free reserves.

The total balance at 31st August 2020 on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds was £122,553.

In total, at 31st August 2020, the funds of the Academy were negative £239,455, which is represented by negative £350,157 of restricted funds and £110,702 unrestricted funds. £344,432 of the restricted funds can only be realised by disposing of tangible fixed assets.

The Trustees acknowledge the pension reserve deficit of £745,000 (2019 £607,000) and have increased the % contributions in order to gradually reduce this deficit.

Fundraising

The academy trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees. The Academy occasionally applies for grants. The Academy does not work with a commercial or professional fundraisers. The PFA, a separate organisation, raises funds from the community which are donated to the Academy. The Academy has not received any complaints regarding the fundraising of the PFA.

Investment Policy

The Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. All funds surplus to immediate requirements would be invested to optimal effect. Due to the nature of funding the Academy may at times hold cash balances surplus to its short term requirements.

Principal Risks and Uncertainties

The Trustees have a duty to identify and review the risks to which the Academy is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy and its finances.

The Trustees have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls in order to minimise risks. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The Academy has an effective and robust system of internal controls in place with its Financial Management Procedures Manual providing comprehensive guidance and including clear instructions regarding segregation of duties. On a regular basis:

- The Risk Register is reviewed by the Senior Management Team; and
- The Responsible Officer carries out a mini audit and provides a report for Trustees; and
- The Business Continuity Plan is updated; and
- Asset spot checks are carried out; and
- Finance software passwords are changed

These arrangements can provide only reasonable and not absolute assurance that assets are safeguarded, transactions are authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected within a timely year.

The principal risk and uncertainties facing the academy are:

Financial

The Academy has considerable reliance on continued Government funding through the ESFA. In the last year, 96% of the Academy's incoming resources was ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Failures in governance and/or management

The risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance and regulations and legislation, statutory returns etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

Impact of COVID-19

The greatest risk to the school is the reduction in NOR due to Covid-19 and families returning to homes overseas or families not moving into the area as this will impact our GAG going forward and the financial risk associated with this

Financial and Risk Management Objectives and Policies

The Academy has an agreed risk management strategy in place, in accordance with the Risk Policy, which includes strict monitoring of financial risks and regular review of the Risk Register. There is also an Audit committee.

Plans for the Future Periods

The Academy expanded in September 2014, to become an all through primary school known as Holy Cross Catholic Primary School. The expansion will be gradual, taking several years for the Academy to become fully subscribed and established under its new name. The Academy actually contracted initially, with 68 pupils leaving Year 6 and 60 pupils being admitted into Reception. In 2019/2020 when pupil numbers began to increase through the expansion of the Trust. When the Academy eventually has all the classes operational, pupil numbers will increase to a maximum capacity of 420.

The Academy will continue to strive to improve the levels of performance of all its pupils. The Academy has a comprehensive School Development Plan (SDP) which outlines the educational and financial aims over the next three years. This is a working document which is reviewed on a regular basis at Senior Management Team meetings with all staff and trustees also encouraged to contribute to its development.


The Academy will continue to instigate and develop community links.

Auditor

In so far as the Trustees are aware:

- There is no relevant audit information of which the Charitable Company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Trustees' report, incorporating a Strategic Report, approved by order of the members of the Board of trustees on 9/12/20 and signed on its behalf by:


M Holliday
Chair of Trustees



Governance Statement Scope of Responsibility

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

The Board of trustees has delegated the day-to-day responsibility to the Head of School, an 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 the Academy and the Secretary of State for Education. The Head of School and Executive Headteacher are responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on Trustees included here have supplements that described in the Trustees' report and in the statement of Trustees' responsibilities. The composition of the Board of trustees has remained stable but recruitment of new trustees has been somewhat challenging. Attendance during the year at meetings of the Board of trustees was as follows:

Trustee	Meetings Attended	Out of a possible
Canon J Cunningham Resigned 31.3.20	4	5
Sheila D'Costa	13	13
Julia D'Souza	10	13
Paul Hughes Resigned 31.3.20	5	6
Margaret Hryb Resigned 31.10.19	1	1
Len Mochan	10	13
Marguerite Holliday	13	13
Karen Salter (Appointed 7.5.20) (Term ended 31.8.20)	7	7
Ben Starczewski Appointed 1.11.19	9	11
John Clifford Appointed 28.2.20	8	8

The school underwent an Ofsted inspection in October 2019. The outcome of the inspection was 'Requires Improvement' and this was due primarily to insufficient details around curriculum planning (as outlined in the new Ofsted Inspection Framework) and development support for teaching staff and subject leaders. Senior Leaders and Trustees accepted these findings and the School Development Plan continues supports these priorities.

During 2020, the closer collaboration with St Mary's Catholic Primary School and St Catherine's Catholic Primary School has provided additional external support for

Governance to ensure Trustees have the skills and knowledge to develop strategic plans for school improvement and to hold senior leaders to account.

Review of Value for Money

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

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

- Collaborative purchasing of IT resources and premises equipment with St Joseph's Catholic College in order to negotiate favourable prices;
- Negotiation of a discount with Consortium
- Price comparison prior to purchase of copier paper

The Purpose of the System of Internal Control

The system of internal control is designated to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Academy for the year ended 31st August 2020 and up to date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year ending 31st August 2020 and up to date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The Risk and Control Framework

The board of trustees has considered the need for a specific internal audit function and has decided to appoint Swindon Borough Council Internal Audit Department as internal auditor

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

- testing of payroll systems
- testing of purchase systems
- testing of income systems

On an annual basis, the internal auditor reports to the board of trustees, through the full board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. The internal auditor has delivered their schedule of work as planned. No material control issues arose.

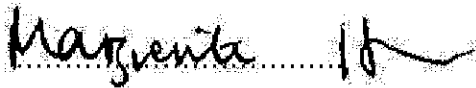
Review of Effectiveness

As Accounting Officer, the Head of School has responsibility for reviewing the effectiveness of the system of internal control. During the period in question the review has been informed by:


- The work of the internal auditor
- The work of the external auditors; and
- 'The work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework'

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

Approved by order of the members of the Board of trustees on ...09-12-2020..... and signed on its behalf by:



M Holliday
Chair of Trustees



K Salter
Accounting Officer

Statement on Regularity, Propriety and Compliance

As Accounting Officer of Holy Cross Catholic Primary School I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's Funding Agreement and the Academies Financial Handbook 2019.

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.

A handwritten signature in black ink, appearing to read 'K Salter', is written over a horizontal dotted line.

K Salter
Accounting Officer
Date: 09-12-2020

Statement of Trustees' Responsibilities

The Trustees (who act as Trustees of Holy Cross Catholic Primary School and are also the Directors of the Charitable Company for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with the Annual Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standard (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law require 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 the incoming resources and application of resources, including the income and expenditure, of the Charitable Company for that period. In preparing those financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business

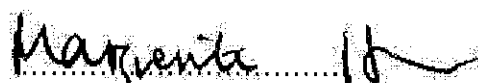
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Company and to enable them to ensure that the financial statements 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 confirm with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA/DfE have been applied for the purposes intended.

In so far as the Trustees are aware:

- There is no relevant audit information of which the Charitable Company's auditors are unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

Approved by order of the members of the Board of trustees on ...09-12-2020. And signed on its behalf by:


M Holliday
Chair of Trustees



**Report of the Independent Auditors to the Members of
Holy Cross Catholic Primary School**

Opinion

We have audited the financial statements of Holy Cross Catholic Primary School (the 'charitable company') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, 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) and the Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency (ESFA).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2019 to 2020.

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

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where 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.

**Report of the Independent Auditors to the Members of
Holy Cross Catholic Primary School**

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

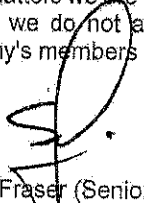
Our responsibilities for the audit of the financial statements

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

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

Use of our report

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


Steven Fraser (Senior Statutory Auditor)
for and on behalf of MHA Monahans
Statutory Auditors
38-42 Newport Street
Swindon
Wiltshire
SN1 3DR

Date: 10th December 2020

**Independent Reporting Accountant's Assurance Report on Regularity to
Holy Cross Catholic Primary School and the Education and Skills Funding Agency**

In accordance with the terms of our engagement and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Holy Cross Catholic Primary School during the period 1 September 2019 to 31 August 2020 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 Holy Cross Catholic Primary School and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Holy Cross Catholic Primary School and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Holy Cross Catholic Primary School and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Holy Cross Catholic Primary School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Holy Cross Catholic Primary School's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1 September 2019, 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 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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.

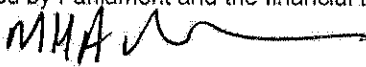
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the charitable company's income and expenditure.

In planning and conducting our work we had due regard to professional guidance, including the Academies Accounts Direction 2019-2020. The work undertaken to draw to our conclusion, includes, but is not limited to:

- Enquiry of senior management and the Academy's Trustees.
- Inspection and review of the accounting records, meeting minutes, prior year regularity report, internal control procedures, management representations and declarations of interest.
- Observation and re-performance of the financial controls.
- Review of the results of the Academy's process of independent checking of financial controls, systems, transactions and risks.
- Consideration of governance issues

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



MHA Monahans
Chartered Accountants
38-42 Newport Street
Swindon
Wiltshire
SN1 3DR

Date: 10th December 2020

Holy Cross Catholic Primary School

Statement of Financial Activities
for the Year Ended 31 August 2020

				2020	2019	
	Notes	Unrestricted funds £	Restricted funds £	Fixed asset funds £	Total funds £	Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and capital grants	2	74,919	-	29,981	104,900	112,237
Charitable activities						
Funding for the academy's educational operations	3	32,984	1,301,172	-	1,334,156	1,278,436
Other trading activities	4	20,023	-	-	20,023	20,725
Investment income	5	120	-	-	120	202
Total		<u>128,046</u>	<u>1,301,172</u>	<u>29,981</u>	<u>1,459,199</u>	<u>1,411,600</u>
EXPENDITURE ON						
Charitable activities						
Academy's educational operations	3	102,984	1,374,873	34,653	1,512,510	1,440,233
Total	6	<u>102,984</u>	<u>1,374,873</u>	<u>34,653</u>	<u>1,512,510</u>	<u>1,440,233</u>
NET INCOME/(EXPENDITURE)		25,062	(73,701)	(4,672)	(53,311)	(28,633)
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit schemes		-	(60,000)	-	(60,000)	(269,000)
Net movement in funds		25,062	(133,701)	(4,672)	(113,311)	(297,633)
RECONCILIATION OF FUNDS						
Total funds brought forward		85,640	(599,448)	387,664	(126,144)	171,489
TOTAL FUNDS CARRIED FORWARD		<u><u>110,702</u></u>	<u><u>(733,149)</u></u>	<u><u>382,992</u></u>	<u><u>(239,455)</u></u>	<u><u>(126,144)</u></u>

The notes form part of these financial statements

Holy Cross Catholic Primary School (Registered number: 07696905)

Balance Sheet
31 August 2020

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible assets	12	344,432	355,274
CURRENT ASSETS			
Debtors	13	219,132	216,290
Cash at bank and in hand		<u>277,557</u>	<u>229,852</u>
		496,689	446,142
CREDITORS			
Amounts falling due within one year	14	(335,576)	(320,560)
		<u>161,113</u>	<u>125,582</u>
NET CURRENT ASSETS			
		505,545	480,856
TOTAL ASSETS LESS CURRENT LIABILITIES			
PENSION LIABILITY	19	(745,000)	(607,000)
		<u>(239,455)</u>	<u>(126,144)</u>
NET ASSETS/(LIABILITIES)			
FUNDS	18		
Restricted funds			
Restricted fixed asset fund		382,992	387,664
Restricted income fund		11,851	7,552
Pension reserve		<u>(745,000)</u>	<u>(607,000)</u>
Total restricted funds		(350,157)	(211,784)
Unrestricted funds		110,702	85,640
		<u>(239,455)</u>	<u>(126,144)</u>
TOTAL FUNDS			

The financial statements were approved by the Board of Trustees and authorised for issue on09/12/2020.....
and were signed on its behalf by:



.....
Trustee – M Holliday

Holy Cross Catholic Primary School

Cash Flow Statement
for the Year Ended 31 August 2020

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	22	<u>64,416</u>	<u>(76,891)</u>
Net cash provided by/(used in) operating activities		<u>64,416</u>	<u>(76,891)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(25,025)	(82,819)
Capital grants from DfE/EFA		6,981	19,199
Sale of tangible fixed assets		1,213	-
Interest received		<u>120</u>	<u>202</u>
Net cash used in investing activities		<u>(16,711)</u>	<u>(63,418)</u>
Change in cash and cash equivalents in the reporting period		<u>47,705</u>	<u>(140,309)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>229,852</u>	<u>370,161</u>
Cash and cash equivalents at the end of the reporting period		<u><u>277,557</u></u>	<u><u>229,852</u></u>

The notes form part of these financial statements

Holy Cross Catholic Primary School

Notes to the Financial Statements for the Year Ended 31 August 2020

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2019 to 2020 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Holy Cross Catholic Primary School meets the definition of a public benefit entity under FRS 102.

The financial statements are prepared in sterling which is the functional currency of the academy and rounded to the nearest pound.

General information

Holy Cross Catholic Primary School is a company limited by guarantee, without share capital, incorporated in England and Wales. The registered office address can be found in the Trustees' Report.

Going concern

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

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received 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 period 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 it is probable that the income will be received and the amount can be measured reliably.

Other income

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

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Holy Cross Catholic Primary School

Notes to the Financial Statements - continued
for the Year Ended 31 August 2020

1. ACCOUNTING POLICIES - continued

Donated goods, facilities and services

Where material, donated goods and services are recognised as income when the academy has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the academy of the item is probable and that economic benefit can be measured reliably. On receipt, where material, donated goods and services are recognised on the basis of the value of the gift to the academy which is the amount the academy would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Expenditure

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

All resources expended are inclusive of irrecoverable VAT.

Charitable activities

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

Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Freehold property	50 years
Freehold land	Nil
Site improvements	20 to 50 years
Furniture and equipment	4 years
Computer equipment	3 years
Motor vehicles	4 years

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

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

Assets transferred to the academy upon conversion were fully depreciated in the first year's accounts other than land and buildings, being the schoolhouse and sports field, which were received for no consideration. The schoolhouse and sports field were valued by PLP Property Consultants chartered surveyors at £252,000 market value.

Land and buildings occupied under a Church Supplemental Agreement are not recognised as assets in the balance sheet. Where capital expenditure has been incurred by the academy then the academy trust recognises a site improvement asset funded by capital grants even when the site is not recognised as land and buildings in their academy trust's own accounts.

Holy Cross Catholic Primary School

Notes to the Financial Statements - continued
for the Year Ended 31 August 2020

1. ACCOUNTING POLICIES - continued

Liabilities

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

Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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.

Financial Instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank - is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. 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.

Fund accounting

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

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

Leased assets

Rentals under operating leases are charged on straight line basis over the lease term.

Holy Cross Catholic Primary School

Notes to the Financial Statements - continued
for the Year Ended 31 August 2020

1. ACCOUNTING POLICIES - continued

Pension benefits

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

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

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

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

Under the Church Supplementary Agreement between the academy and the Clifton Diocese the academy is given rent free use of certain land and buildings. The Academy Accounts Direction requires that an appropriate notional donation of rent is recognised in the financial statements. The rent has been estimated as the equivalent of the annual depreciation charge on the value of the land and buildings.

Holy Cross Catholic Primary School

Notes to the Financial Statements - continued
for the Year Ended 31 August 2020

2. DONATIONS AND CAPITAL GRANTS

	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
Donations	4,919	-	4,919	38
Grants	-	29,981	29,981	42,199
Notional donation from diocese re property occupied	<u>70,000</u>	<u>-</u>	<u>70,000</u>	<u>70,000</u>
	<u>74,919</u>	<u>29,981</u>	<u>104,900</u>	<u>112,237</u>

Grants received, included in the above, are as follows:

	2020 £	2019 £
DfE/ESFA capital grant	6,981	19,199
Other grants	<u>23,000</u>	<u>23,000</u>
	<u>29,981</u>	<u>42,199</u>

3. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
Grants	-	1,293,847	1,293,847	1,229,533
School trips	-	7,325	7,325	10,875
Afterschool club	15,467	-	15,467	21,234
Catering	<u>17,517</u>	<u>-</u>	<u>17,517</u>	<u>16,794</u>
	<u>32,984</u>	<u>1,301,172</u>	<u>1,334,156</u>	<u>1,278,436</u>

An analysis of grants received is given below:

	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
DfE/ESFA revenue grant				
General Annual Grant(GAG)	-	1,054,941	1,054,941	1,067,203
Other DfE/ESFA Grants	<u>-</u>	<u>175,810</u>	<u>175,810</u>	<u>128,159</u>
	-	1,230,751	1,230,751	1,195,362
Other government grant				
Local authority grant	-	1,278	1,278	-
Special educational needs	<u>-</u>	<u>61,818</u>	<u>61,818</u>	<u>34,171</u>
	-	63,096	63,096	34,171
	<u>-</u>	<u>1,293,847</u>	<u>1,293,847</u>	<u>1,229,533</u>

Holy Cross Catholic Primary School

Notes to the Financial Statements - continued
for the Year Ended 31 August 2020

4. OTHER TRADING ACTIVITIES

	Unrestricted funds	Restricted funds	2020 Total funds	2019 Total funds
	£	£	£	£
Hire of facilities	10,958	-	10,958	9,600
Other income	<u>9,065</u>	<u>-</u>	<u>9,065</u>	<u>11,125</u>
	<u>20,023</u>	<u>-</u>	<u>20,023</u>	<u>20,725</u>

5. INVESTMENT INCOME

	Unrestricted funds	Restricted funds	2020 Total funds	2019 Total funds
	£	£	£	£
Deposit account interest	<u>120</u>	<u>-</u>	<u>120</u>	<u>202</u>

6. EXPENDITURE

	Non-pay expenditure			2020 Total	2019 Total
	Staff costs	Premises	Other costs	£	£
	£	£	£		
Charitable activities					
Academy's educational operations					
Direct costs	862,925	-	100,166	963,091	955,125
Allocated support costs	<u>237,145</u>	<u>208,424</u>	<u>103,850</u>	<u>549,419</u>	<u>485,108</u>
	<u>1,100,070</u>	<u>208,424</u>	<u>204,016</u>	<u>1,512,510</u>	<u>1,440,233</u>

Net income/(expenditure) is stated after charging/(crediting):

	2020	2019
	£	£
Auditors' remuneration	6,800	6,800
Auditor's remuneration for non-audit work	1,310	2,103
Depreciation - owned assets	34,654	31,212
Operating leases - equipment	<u>3,164</u>	<u>4,656</u>

7. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds	Restricted funds	2020 Total funds	2019 Total funds
	£	£	£	£
Direct costs	-	963,091	963,091	955,125
Support costs	<u>102,984</u>	<u>446,435</u>	<u>549,419</u>	<u>485,108</u>
	<u>102,984</u>	<u>1,409,526</u>	<u>1,512,510</u>	<u>1,440,233</u>

Holy Cross Catholic Primary School

Notes to the Financial Statements - continued
for the Year Ended 31 August 2020

7. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS - continued

	2020	2019
	Total	Total
	£	£
Analysis of support costs		
Support staff costs	237,145	210,165
Depreciation	4,536	1,339
Technology costs	219	1,154
Premises costs	174,775	152,914
Other support costs	90,985	109,669
Governance costs	<u>41,759</u>	<u>9,867</u>
 Total support costs	 <u>549,419</u>	 <u>485,108</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

One or more trustees have been paid remuneration or have received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their role as trustees. The value of trustees' remuneration was as follows:

R Christian (staff trustee (resigned as employee November 2018, appointed as employee September 2019, resigned as trustee 1 July 2020))

Remuneration £20,000 - £25,000 (2019: £5,000 - £10,000)

Employer's pension contributions £5,000 - £10,000 (2019: £0,000 - £5,000)

S D'Costa (staff trustee)

Remuneration £15,000 - £20,000 (2019: £20,000 - £25,000)

Employer's pension contributions £0,000 - £5,000 (2019: £0,000 - £5,000)

K Salter (staff trustee from 1 November 2018 to 5 April 2019)

Remuneration £nil 2019: £20,000 - £25,000)

Employer's pension contributions £nil (2019: £0,000 - £5,000)

The accounting officer, for the period 1 September 2019 to 31 March 2020, P Hughes, was not employed by the trust. The interim accounting officer, for the period 1 April 2020 to 31 May 2020, K Salter, was not appointed as a trustee. The accounting officer, from 1 June 2020, A Henstridge is not employed by the academy trust. Please see note 20 for further details

Trustees' expenses

During the year ended 31 August 2020, travel and subsistence expenses totalling £16 (2019 - £513) were reimbursed to one trustee (2019 - two). Other related party transactions involving the trustees are set out in note 20.

9. STAFF COSTS

	2020	2019
	£	£
Wages and salaries	787,201	749,718
Social security costs	40,240	55,528
Operating costs of defined benefit pension schemes	<u>252,895</u>	<u>191,358</u>
 Supply teacher costs	 1,080,336	 996,604
	<u>19,734</u>	<u>39,047</u>
	<u>1,100,070</u>	<u>1,035,651</u>

Holy Cross Catholic Primary School

Notes to the Financial Statements - continued
for the Year Ended 31 August 2020

9. STAFF COSTS - continued

The average number of persons (including senior management team) employed by the charitable company during the year was as follows:

	2020	2019
Teachers	13	10
Administration and support	39	38
Management	<u>7</u>	<u>7</u>
	<u>59</u>	<u>55</u>

No employees received emoluments in excess of £60,000.

The full time equivalent number of persons employed by the Academy during the year was:

	2020 Number	2019 Number
Teachers	11	9
Administration and support	12	14
Management	<u>4</u>	<u>4</u>
	<u>27</u>	<u>27</u>

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 3. 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 academy trust was £170,964 (2019: £147,714).

10. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the insurance.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Fixed asset funds £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and capital grants	70,000	38	42,199	112,237
Charitable activities				
Funding for the academy's educational operations	38,028	1,240,408	-	1,278,436
Other trading activities	20,725	-	-	20,725
Investment income	<u>202</u>	<u>-</u>	<u>-</u>	<u>202</u>
Total	128,955	1,240,446	42,199	1,411,600
EXPENDITURE ON				
Charitable activities				
Academy's educational operations	108,553	1,298,571	33,109	1,440,233
Total	<u>108,553</u>	<u>1,298,571</u>	<u>33,109</u>	<u>1,440,233</u>

Holy Cross Catholic Primary School

Notes to the Financial Statements - continued
for the Year Ended 31 August 2020

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Fixed asset funds £	Total funds £
NET INCOME/(EXPENDITURE)	20,402	(58,125)	9,090	(28,633)
Other recognised gains/(losses)				
Actuarial gains/(losses) on defined benefit schemes	-	(269,000)	-	(269,000)
Net movement in funds	20,402	(327,125)	9,090	(297,633)
RECONCILIATION OF FUNDS				
Total funds brought forward	65,238	(272,323)	378,574	171,489
TOTAL FUNDS CARRIED FORWARD	<u>85,640</u>	<u>(599,448)</u>	<u>387,664</u>	<u>(126,144)</u>

12. TANGIBLE FIXED ASSETS

	Freehold property £	Site improvements £	Furniture and Equipment £
COST			
At 1 September 2019	252,000	91,942	96,706
Additions	-	-	21,630
Disposals	-	(1,213)	-
At 31 August 2020	<u>252,000</u>	<u>90,729</u>	<u>118,336</u>
DEPRECIATION			
At 1 September 2019	31,306	1,510	71,834
Charge for year	8,167	4,537	13,188
At 31 August 2020	<u>39,473</u>	<u>6,047</u>	<u>85,022</u>
NET BOOK VALUE			
At 31 August 2020	<u>212,527</u>	<u>84,682</u>	<u>33,314</u>
At 31 August 2019	<u>220,694</u>	<u>90,432</u>	<u>24,872</u>
	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 September 2019	10,600	182,890	634,138
Additions	-	3,395	25,025
Disposals	-	-	(1,213)
At 31 August 2020	<u>10,600</u>	<u>186,285</u>	<u>657,950</u>
DEPRECIATION			
At 1 September 2019	10,600	163,614	278,864
Charge for year	-	8,762	34,654
At 31 August 2020	<u>10,600</u>	<u>172,376</u>	<u>313,518</u>
NET BOOK VALUE			
At 31 August 2020	<u>-</u>	<u>13,909</u>	<u>344,432</u>
At 31 August 2019	<u>-</u>	<u>19,276</u>	<u>355,274</u>

Holy Cross Catholic Primary School

Notes to the Financial Statements - continued
for the Year Ended 31 August 2020

12. TANGIBLE FIXED ASSETS - continued

Included in the cost of freehold and leasehold property is land of £7,000 (2019 - £7,000) which is not depreciated.

Land and buildings occupied under a Church Supplemental Agreement are not recognised as assets in the balance sheet. These land and buildings are occupied free of charge under a rolling two year licence.

The Supplementary Agreement includes the right for the Clifton Catholic Diocesan Trustees to give not less than 2 years written notice to the academy and Secretary of state for Education to terminate the agreement. No such written notice has been received as at the date of the approval of the financial statements.

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade debtors	4,662	788
VAT	20,012	29,639
Prepayments and accrued income	<u>194,458</u>	<u>185,863</u>
	<u>219,132</u>	<u>216,290</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade creditors	2,653	28,256
ESFA creditor - overpaid pupil premium	83,060	83,060
Social security and other taxes	14,865	12,957
Other creditors	13,979	-
Accruals and deferred income	<u>221,019</u>	<u>196,287</u>
	<u>335,576</u>	<u>320,560</u>

Deferred income

		£
Deferred Income at 1 September 2019		39,355
Resources deferred in the year		42,759
Amounts released from previous years		<u>(39,355)</u>
Deferred Income at 31 August 2020		<u>42,759</u>

At the balance sheet date the academy trust was holding funds received in advance for the 20/21 school year.

15. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2020	2019
	£	£
Within one year	<u>-</u>	<u>3,164</u>

Holy Cross Catholic Primary School

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2020**

16. 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.

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

				2020
	Unrestricted funds £	Restricted funds £	Fixed asset funds £	Total funds £
Fixed assets	-	-	344,432	344,432
Current assets	250,702	207,427	38,560	496,689
Current liabilities	(140,000)	(195,576)	-	(335,576)
Pension liability	-	(745,000)	-	(745,000)
	<u>110,702</u>	<u>(733,149)</u>	<u>382,992</u>	<u>(239,455)</u>

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

				2019
	Unrestricted funds £	Restricted funds £	Fixed asset funds £	Total funds £
Fixed assets	-	-	355,274	355,274
Current assets	225,640	188,112	32,390	446,142
Current liabilities	(140,000)	(180,560)	-	(320,560)
Pension liability	-	(607,000)	-	(607,000)
	<u>85,640</u>	<u>(599,448)</u>	<u>387,664</u>	<u>(126,144)</u>

18. MOVEMENT IN FUNDS

	At 1.9.19 £	Net movement in funds £	At 31.8.20 £
Unrestricted funds			
Unrestricted funds	85,640	25,062	110,702
Restricted fixed asset funds			
DfE/ESFA capital grants	36,957	(4,032)	32,925
Fixed assets on conversion	220,692	(8,167)	212,525
Capital expenditure from GAG	500	(500)	-
Start up capital grants	63,400	(6,126)	57,274
Other capital grants	<u>66,115</u>	<u>14,153</u>	<u>80,268</u>
	387,664	(4,672)	382,992
Restricted general funds			
Other restricted income	100	-	100
General Annual Grant	7,452	1,882	9,334
Other DfE/ESFA grants	-	2,417	2,417
Pension	<u>(607,000)</u>	<u>(138,000)</u>	<u>(745,000)</u>
	<u>(599,448)</u>	<u>(133,701)</u>	<u>(733,149)</u>
Total restricted funds	<u>(211,784)</u>	<u>(138,373)</u>	<u>(350,157)</u>
TOTAL FUNDS	<u>(126,144)</u>	<u>(113,311)</u>	<u>(239,455)</u>

Holy Cross Catholic Primary School

Notes to the Financial Statements - continued
for the Year Ended 31 August 2020

18. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Unrestricted funds	128,046	(102,984)	-	25,062
Restricted fixed asset funds				
DfE/ESFA capital grants	6,981	(11,013)	-	(4,032)
Fixed assets on conversion	-	(8,167)	-	(8,167)
Capital expenditure from GAG	-	(500)	-	(500)
Start up capital grants	-	(6,126)	-	(6,126)
Other capital grants	<u>23,000</u>	<u>(8,847)</u>	-	<u>14,153</u>
	29,981	(34,653)	-	(4,672)
Restricted general funds				
Other restricted income	7,325	(7,325)	-	-
General Annual Grant	1,054,941	(1,053,059)	-	1,882
Other government grants	63,096	(63,096)	-	-
Other DfE/ESFA grants	141,972	(139,555)	-	2,417
Pension	-	(78,000)	(60,000)	(138,000)
Other DfE Group grants - pupil premium	<u>33,838</u>	<u>(33,838)</u>	-	-
	<u>1,301,172</u>	<u>(1,374,873)</u>	<u>(60,000)</u>	<u>(133,701)</u>
Total restricted funds	<u>1,331,153</u>	<u>(1,409,526)</u>	<u>(60,000)</u>	<u>(138,373)</u>
TOTAL FUNDS	<u><u>1,459,199</u></u>	<u><u>(1,512,510)</u></u>	<u><u>(60,000)</u></u>	<u><u>(113,311)</u></u>

Comparatives for movement in funds

	At 1.9.18 £	Net movement in funds £	At 31.8.19 £
Unrestricted funds			
Unrestricted funds	65,238	20,402	85,640
Restricted funds			
Other restricted income	8,677	(8,577)	100
General Annual Grant	-	7,452	7,452
DfE/ESFA capital grants	23,894	13,063	36,957
Pension	(281,000)	(326,000)	(607,000)
Fixed assets on conversion	228,859	(8,167)	220,692
Capital expenditure from GAG	8,052	(7,552)	500
Start up capital grants	66,568	(3,168)	63,400
Other capital grants	<u>51,201</u>	<u>14,914</u>	<u>66,115</u>
	<u>106,251</u>	<u>(318,035)</u>	<u>(211,784)</u>
TOTAL FUNDS	<u><u>171,489</u></u>	<u><u>(297,633)</u></u>	<u><u>(126,144)</u></u>

Holy Cross Catholic Primary School

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2020**

18. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Unrestricted funds	128,955	(108,553)	-	20,402
Restricted funds				
Other restricted income	10,913	(19,490)	-	(8,577)
General Annual Grant	1,067,203	(1,059,751)	-	7,452
Other government grants	34,171	(34,171)	-	-
Other DfE/ESFA grants	93,659	(93,659)	-	-
DfE/ESFA capital grants	19,199	(6,136)	-	13,063
Pension	-	(57,000)	(269,000)	(326,000)
Fixed assets on conversion	-	(8,167)	-	(8,167)
Capital expenditure from GAG	-	(7,552)	-	(7,552)
Start up capital grants	-	(3,168)	-	(3,168)
Other capital grants	23,000	(8,086)	-	14,914
Other DfE Group grants - pupil premium	34,500	(34,500)	-	-
	<u>1,282,645</u>	<u>(1,331,680)</u>	<u>(269,000)</u>	<u>(318,035)</u>
TOTAL FUNDS	<u>1,411,600</u>	<u>(1,440,233)</u>	<u>(269,000)</u>	<u>(297,633)</u>

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

General Annual Grant - the GAG is applied in strict accordance with the terms of the Model Funding Agreement. Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2020.

Other DfE Group grants - these include:

- PE sports grant to fund improvements to the provision of PE and sports for primary pupils
- the rates relief to contribute to the rates bill
- the grant towards the universal free school meals provision
- the grant towards teachers' pay
- the grant towards teachers' pension

Pupil premium - grant which is used to assist pupils from low income families

Other restricted grants/income - these include restricted income streams such as school trips and swimming plus grants towards the library resources, lets get cooking and the chicken house.

Other government grants - these include the special educational needs funding and other funding from Swindon Borough Council.

Start up capital grant - these include capital grants from Swindon Borough Council and Clifton Diocese for infrastructure set up costs for the expansion of the academy.

Pension reserve - this deficit represents the net shortfall in funds in the Local Government Pension Scheme in relation to employees past and present.

DfE Group capital grants - this represents funding specifically provided to support capital expenditure on fixed assets.

Other capital grants - this represents funding specifically provided to support capital expenditure on fixed assets.

Fixed assets on conversion - this represents the value of land, buildings and other assets transferred from the Local Authority to the academy on conversion less depreciation.

Capital expenditure from GAG - this represents the cost less depreciation of assets purchased from the GAG.

Fixed assets donated from the local government - this is the net book value of the new Queens Drive school building, funded from Swindon Borough Council.

Holy Cross Catholic Primary School

Notes to the Financial Statements - continued
for the Year Ended 31 August 2020

19. PENSION AND SIMILAR OBLIGATIONS

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

The latest actuarial valuation of the TPS was 31 March 2016 and of the LGPS 31 March 2016.

Contributions amounting to £13,979 were payable to the schemes at 31 August 2020 (2019: £Nil) and are included within creditors.

Teachers' pension scheme

Introduction

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

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

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
- 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 period amounted to £119,000 (2019: £72,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

Local government pension scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £83,000 (2019: £88,000), of which employer's contributions totalled £68,000 (2019: £71,000) and employees' contributions totalled £15,000 (2019: £17,000). The agreed contribution rates for future years are 23% for employers and 5.5% to 8.5% for employees.

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

Holy Cross Catholic Primary School

Notes to the Financial Statements - continued
for the Year Ended 31 August 2020

19. PENSION AND SIMILAR OBLIGATIONS - continued

The amounts recognised in the Balance Sheet are as follows:

	Defined benefit pension plans	
	2020	2019
	£	£
Present value of funded obligations	(2,111,000)	(1,874,000)
Fair value of plan assets	<u>1,366,000</u>	<u>1,267,000</u>
	(745,000)	(607,000)
Present value of unfunded obligations	<u>-</u>	<u>-</u>
Deficit	<u>(745,000)</u>	<u>(607,000)</u>
Net liability	<u>(745,000)</u>	<u>(607,000)</u>

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

	Defined benefit pension plans	
	2020	2019
	£	£
Current service cost	134,000	112,000
Net interest from net defined benefit asset/liability	37,000	41,000
Past service cost	<u>-</u>	<u>7,000</u>
	<u>171,000</u>	<u>160,000</u>
Interest income on plan assets	<u>25,000</u>	<u>32,000</u>

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2020	2019
	£	£
Opening defined benefit obligation	1,874,000	1,396,000
Current service cost	134,000	112,000
Past service cost	-	7,000
Contributions by scheme participants	15,000	17,000
Interest cost	37,000	41,000
Benefits paid	(13,000)	(13,000)
Remeasurements:		
Actuarial (gains)/losses from changes in demographic assumptions	(15,000)	(107,000)
Actuarial (gains)/losses from changes in financial assumptions	59,000	421,000
Remeasurements - other experience	<u>20,000</u>	<u>-</u>
	<u>2,111,000</u>	<u>1,874,000</u>

Holy Cross Catholic Primary School

Notes to the Financial Statements - continued
for the Year Ended 31 August 2020

19. PENSION AND SIMILAR OBLIGATIONS - continued

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2020	2019
	£	£
Opening fair value of scheme assets	1,267,000	1,115,000
Contributions by employer	68,000	71,000
Contributions by scheme participants	15,000	17,000
Interest income on plan assets	25,000	32,000
Benefits paid	(13,000)	(13,000)
Return on plan assets (excluding interest income)	4,000	45,000
	<u>1,366,000</u>	<u>1,267,000</u>

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	2020	2019
	£	£
Actuarial (gains)/losses from changes in demographic assumptions	15,000	107,000
Actuarial (gains)/losses from changes in financial assumptions	(59,000)	(421,000)
Remeasurements - other experience	(20,000)	-
Return on plan assets (excluding interest income)	4,000	45,000
	<u>(60,000)</u>	<u>(269,000)</u>

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	Defined benefit pension plans	
	2020	2019
Equities	56%	71%
Bonds	32%	14%
Property	12%	13%
Cash	-	2%
	<u>100%</u>	<u>100%</u>

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2020	2019
Discount rate	1.70%	1.90%
Future salary increases	2.60%	2.60%
Future pension increases	2.20%	2.30%
Inflation assumption (CPI)	2.20%	2.30%

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

	At 31 August 2020	At 31 August 2019
Current pensioners		
Males	21.7 years	21.4 years
Females	24.0 years	23.7 years
Future pensioners*		
Males	22.5 years	22.3 years

Holy Cross Catholic Primary School

Notes to the Financial Statements - continued
for the Year Ended 31 August 2020

19. PENSION AND SIMILAR OBLIGATIONS - continued

Females 25.5 years 25.1 years

* Figures assume members aged 45 as at the last formal valuation date.

The sensitivity regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in assumption at 31 August 2020	Approximate % increase to Employer Liability	Approximate monetary amount (£000)
0.5% decrease in Real Discount Rate	14%	291
0.5% increase in the Salary Increase Rate	1%	26
0.5% increase in the Pension Increase Rate	12%	261

20. RELATED PARTY DISCLOSURES

Owing to the nature of the academy 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 trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period.

Expenditure Related Party Transactions

The accounting officer, K Salter, is employed as head teacher at the academy trust. The accounting officer receives remuneration in respect of services provided in undertaking the role of principal under her contract of employment. for the year to 31 August 2020, K Salter received remuneration between £50,000 - £55,000 and employer's pension contribution between £10,000 - £15,000.

The executive head teacher, from 1 June 2020, A Henstridge is not employed by the academy trust. No costs have been incurred for his services during the summer term.

L Christian, spouse of R Christian, a trustee (to 1 July 2020), is employed by the academy trust as senior admin officer / finance assistant. L Christian's appointment was made in open competition and r Christian was not involved in the decision making process regarding her appointment. L Christian is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a trustee.

Romero Services Limited is a subsidiary company of St Joseph's Catholic College and is part of the Samuel Partnership which the Academy is also a member and P Hughes, accounting officer and executive principle of the academy trust to 31 March 2020, is employed by St Joseph's Catholic College. Romero Services Limited provided support for finance, IT, and other services plus P Hughes time. The costs of these services were £99,453 (2019: £53,683).

The academy has a Service Level Agreement with the Clifton Diocese. This Service Level Agreement entitles all schools to a core service of activities. The cost is related to pupil numbers. The academy also engages in training with the Diocese which are paid for separately. A total cost of £1,220 (2019: £1,659) was incurred in the year.

Included in rent is a notional rent of £70,000 (2019: £70,000) which related to the use of the Clifton Diocese land and buildings occupied by the Academy, and is estimated as the equivalent of the annual depreciation charge on the value of the land and buildings. .As part of the 2 year Church Supplemental Agreement an accrual for 2 years of this rent has been included in creditors.

The catholic schools in Swindon and the surrounding area work closely together, being called The Samuel Partnership. The academy purchased services from the following schools in The Samuel Partnership:

Holy Rood Catholic Primary School £Nil (2019: £3,036)
St Joseph's Catholic College £11,979 (2019: £nil)
St Mary's Catholic Primary School £338 (2019: £nil)
Holy Family Catholic Primary School and Nursery £121 (2019: £nil)

Holy Cross Catholic Primary School

Notes to the Financial Statements - continued
for the Year Ended 31 August 2020

20. RELATED PARTY DISCLOSURES - continued

Income Related Party Transactions

Included in donations is a notional rental donation of £70,000 (2019: £70,000) which related to the use of the Clifton Diocese land and buildings occupied by the Academy, and is estimated as the equivalent of the annual depreciation charge on the value of the land and buildings. As part of the 2 year Church Supplemental Agreement an accrual for 2 years of this donation has been included in debtors.

The academy received income of £nil (2019: £8,346) from Clifton Diocese during the year covering the school expansion costs.

The academy provided services to the following schools in The Samuel Partnership:

St Joseph's Catholic College £12,396 (2019: £nil)
Holy Rood Catholic Primary School £nil (2019: £8,672)

21. ULTIMATE CONTROLLING PARTY

The Academy is under the control of the Bishop of Clifton by virtue of his ability to appoint the majority of the Board of Trustees.

22. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020	2019
	£	£
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(53,311)	(28,633)
Adjustments for:		
Depreciation charges	34,653	31,213
Capital grants from DfE/ESFA	(6,981)	(19,199)
Interest received	(120)	(202)
DB pension scheme cost less contribution	66,000	48,000
DB pension scheme finance cost	12,000	9,000
Increase in debtors	(2,842)	(172,423)
Increase in creditors	<u>15,017</u>	<u>55,353</u>
Net cash provided by/(used in) operations	<u>64,416</u>	<u>(76,891)</u>

23.. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.19	Cash flow	At 31.8.20
	£	£	£
Net cash			
Cash at bank and in hand	<u>229,852</u>	<u>47,705</u>	<u>277,557</u>
	<u>229,852</u>	<u>47,705</u>	<u>277,557</u>
Total	<u>229,852</u>	<u>47,705</u>	<u>277,557</u>