

HOLY CROSS CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

**HOLY CROSS CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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**HOLY CROSS CATHOLIC PRIMARY SCHOOL
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MEMBERS/ TRUSTEES

Members

Bishop D Lang
Mrs M Holliday
The Clifton Catholic Diocesan Education Consortium

Trustees

R Christian, Staff Governor (resigned 31/12/2021)¹
J Clifford, Foundation Governor (resigned 28/5/2021)^{2,3}
S D'Costa, Staff Governor (appointed 5/5/2021)¹
A Henstridge, Ex-Officio Governor (deceased 1/3/2021)^{2,3}
M Holliday, Foundation Governor (appointed 1/11/2012)¹
D Kole, Parent Governor (appointed 20/10/2020)¹
L Mochan, Foundation Governor (appointed 19/3/2012)^{2,3}
R Paone, Foundation Governor (resigned 31/12/2021)¹
K Salter, Ex-Officio Governor (appointed 30/3/2021)^{1,2}
J D'Souza, Foundation Governor (resigned 31/12/2021)¹
B Starczewski, Foundation Governor (appointed 1/11/2019)^{2,3}
P Wright, Parent Governor (resigned 31/12/2021)¹
A Flockhart, Foundation Governor (appointed 12/1/2022)
C Eades, Foundation Governor (appointed 20/1/2022)
M C Cabrera-Aguilera, Foundation Governor (appointed 2/2/2022)

¹ School Improvement Committee

² Finance Committee

³ Pay Panel Committee

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2021**

Company registered number 07696905

Company name Holy Cross Catholic Primary School

Principal and registered office Queens Drive
Swindon
SN3 1AR

	Name	Office/position
Senior management team	A Henstridge	Executive Headteacher 1/09/2020 -1/03/21
	K Salter	Head of School/Acting Headteacher from 1/3/2021
	S Dowdeswell	Assistant Head/ Acting Deputy Headteacher from 1/3/2021)
	E O'Neill	Special Educational Needs Lead
	A Mercer	Company Secretary

Independent auditors Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
10 Temple Back
Bristol
BS1 6FL

Bankers Lloyds
5 High Street
Swindon
SN1 3EN

Solicitors VWV
Orchard Court
Orchard Lane
Bristol
BA1 5WS

**HOLY CROSS CATHOLIC PRIMARY SCHOOL
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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021**

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the year ended 31 August 2021. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates a primary academy for pupils aged 4 to 11 with an emphasis on maintaining the Academy's Catholicity. It has a pupil capacity of 420 and had a roll of 400 in the school census in October 2021.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust was incorporated on 7th July 2011 and opened as an Academy on 1st August 2011. It is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Trustees of Holy Cross Catholic Primary School are also the directors of the Charitable Company for the purposes of company law. The Charitable Company operates as Holy Cross Catholic Primary School.

Details of the Trustees who served throughout the year 2020/21, and to the date the accounts are approved, are included in the Reference and Administration Details.

Trustees' Liability

Each Trustee 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 Trustee, or within one year after he/she ceases to be a Trustee, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they cease to be a Trustee.

Trustees' Indemnities

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

Method of recruitment and appointment or election of Trustees

Subject to the Articles of Association the Academy Trust may have the following number of Trustees:

- 11 Foundation Trustees, appointed by the Diocesan Bishop following any recommendation from the Clifton Catholic Diocesan Education Consortium;
- Of whom, at least 3, shall be eligible for election or appointment as Parent Trustees, who are elected by Parents of registered pupils at the Academy Trust. A parent Trustee must be a parent of a pupil at the Academy Trust at the time he is elected. Where a vacancy for a Parent Trustee is required to be filled by election, the Board of Trustees shall take such steps as are reasonably practical to secure that every person who is known to them to be a parent of a registered pupil at the Academy Trust is informed of the vacancy and that it is required to be filled by election, informed that he is entitled to stand as a candidate, and vote at the election, and be given an opportunity to do so.
- The board of trustees may appoint Staff Trustees by a secret ballot of all staff employed under a contract of employment or a contract for services or otherwise engaged to provide services to the Academy Trust (excluding the Headteacher). The total number of Staff Trustees, including the Headteacher, who are employees of the Academy Trust should not exceed one third of the total number of Trustees.
- Up to 3 Co-opted Trustees may be appointed by the Board of Trustees provided that if any such Trustee are appointed the number of Foundation Trustees permitted shall increase proportionately to ensure that a majority of Trustees are Foundation Trustees by at least two.
- The Headteacher who shall be treated for all purposes as being an ex officio Trustee.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Trustees are appointed for a four year period, except that this time limit does not apply to the Executive Headteacher. Subject to remaining eligible to be a particular type of Trustee, any Trustees can be re-appointed or re-elected.

When appointing new Trustees, the Board of Trustees will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board of Trustees has the necessary skills to contribute fully to the Academy Trust's development.

Policies and Procedures adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academy Trust, an induction meeting with the Headteacher and a chance to meet staff and pupils. All Trustees are DBS cleared and are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustee. As there are normally very few new Trustees appointed induction tends to be done informally and is tailored specifically to the individual. Foundation Trustees do, however, have a formal induction organised and run by Clifton Diocese. To ensure Trustees receive training and support the Academy Trust has put in place contractual arrangements with the Local Authority to provide the Academy Trust its Governor Support Service. This enables Trustees to take advantage of topic based and general courses offered by Governor Support. Governors also make use of training run by other providers including the NGA and Governors for Schools.

Organisational Structure

The Board of Trustees meets at least once each term. The Board of Trustees establishes an overall framework for the governance of the Academy Trust and determines membership of the Board of Trustees, the terms of reference and procedures of its Committees and other groups. It receives reports, including policies, from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board of Trustees may also, from time to time, establish Working Groups to perform specific tasks over a limited timescale.

The following matters are reserved to the Board of Trustees:

- Making strategic decisions about the direction of the Academy Trust;
- Capital expenditure in excess of other delegated authorisation levels;
- Determining any proposals for changes to the status or constitution of the Academy Trust and its Committee structures;
- The appointment of the Academy Trust's auditors and Responsible Officer;
- The appointment or removal the Chairman and/or Vice Chairman of the Board of Trustees;
- The appointment of the Head teacher and the Academy Trust's Company Secretary;
- The approval of the Annual Development Plan and annual budget;
- The approval of the Admissions policy and the ratification of regulatory returns.

The Board of Trustees, through the delegated responsibilities of its Finance, Premises and Staffing Committee, is responsible for developing an annual budget, receiving and reviewing the statutory accounts of the Academy Trust, reviewing the major business risks of the Academy Trust and monitoring the Academy Trust by the use of budgets, management information and other data.

Through a Scheme of Delegation set out within the Academy Trust's Financial Regulations Policy, the Board of Trustees, Finance, Premises and Staffing Committee and Headteacher, are responsible for the authorisation of spending within agreed budget limits. The Headteacher, assisted always by Trustees, is responsible for the appointment of both teaching and support staff though the use of recruitment panels.

The Board of Trustees have devolved responsibility for day to day management of the Academy Trust to the Headteacher and Senior Leaders. The SMT comprises the Headteacher and Deputy Headteacher. The SLT

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control the Academy Trust's day-to-day management at an executive level, implementing the policies laid down by the Trustees and reporting back to them.

To assist with the governance of the Academy Trust the Board of Trustees has established Committees with specific roles that have delegated responsibilities.

- The Finance, Staffing and Premises Committee - this meets at least six times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with statutory reporting and regulatory requirements, receiving reports from the Responsible Officer and reviewing the draft annual budget and Health and Safety and site matters.
- The School Improvement Committee - this meets at least three times a year to monitor, evaluate and review Academy Trust policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all religious and pastoral matters.
- The Staffing Committee – this meets formally twice a year and at any other time as required to deal with staffing matters.
- The Admissions Panel, Pupil Disciplinary Committee and Staff Disciplinary Committee meet as and when required to consider specific matters within their terms of reference.

The Acting Headteacher is the Academy Trust's Accounting Officer.

For the period September 2020 to April 2021 the school employed the services of a shared Executive Headteacher between Holy Cross, St Mary's Catholic Primary School and St Catherine's Catholic Primary School. This arrangement came to an end in April 2021 on the death of the Executive Headteacher and subsequent appointment of the Head of School as Acting Headteacher.

Arrangements for setting pay and remuneration of key management personnel

The Trustees consider that the Board of Trustees and the senior leadership team comprise the key management personnel of the Academy in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year.

Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

The pay of key management personnel is reviewed annually and normally increased in accordance with average earnings.

Trade union facility time

There were no relevant union officials for the year/period ended 31 August 2021.

Related Parties and other Connected Charities and Organisations

The Diocese have the ability to control through being able to appoint trustees as detailed on page 3.

The Academy Trust maintains strong collaborative links with (but has no control over) the Holy Cross Parents and Friends Association, who are an independent charity that conduct fund raising on behalf of the Academy Trust.

The Academy Trust has continued to develop strong collaborative links with St Mary's Catholic Primary School (Academy), Swindon and St Catherine's Catholic primary School (Academy) sharing the same Executive Headteacher for a portion of the year 2020/21. During 2020 / 2021 these 3 Academies were intending to convert to a Multi Academy Trust. The process has been put on hold due to a new MAT strategic vision launched by the Clifton Diocese Department of Schools and Colleges. . Holy Cross also works in partnership with the other Catholic schools in the Swindon area. Over the last four years, this partnership has

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been formalised and each school has now signed a memorandum of agreement. The partnership, which is known as the Samuel Partnership, is made up of St Catherine's Catholic Primary School, St Mary's Catholic Primary School, Holy Family Catholic Primary School, Holy Rood Catholic Primary School, St Joseph's Catholic Primary School (Malmesbury) and St Joseph's Catholic College. The Clifton Diocese released a directive in June 2019 that all Diocesan schools will be in multi academy trust by 2021, this was reviewed in the summer of 2021 with a drive towards larger MATs based on geographical areas across the diocese by 2025. The Trustees continue to explore this possibility with the other schools in the Samuel Partnership.

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 balanced 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 2021 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 develop mutually beneficial partnership with St Mary's and St Catherine's Catholic Primary Schools; and
- To maintain close links with all schools within the Samuel Partnership and with the Diocese of Clifton; and
- To conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

Objectives, Strategies and Activities

Key priorities for the year are contained in our school development plan (which is available from the school office). Key activities and targets are influenced by a full review of teaching and learning and challenges and opportunities arising from national changes in education policy. Improvement focuses for this year include:

Pupil Outcomes Post COVID

- To ensure continuity of education post Covid 19 lockdown

Curriculum Development:

- To ensure that we have a 'broad and rich' curriculum that reflects the vision and values of the school
- To facilitate subject leaders in taking ownership of their subject areas
- To develop whole school systems for monitoring of the implementation and impact of the Holy Cross Curriculum

Reading

- To embed the new Holy Cross Reading Curriculum
- To ensure there is a clear understanding of the teaching sequence for Reading

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- To ensure that all staff use assessment information so that planning meets the needs of all children
- To ensure effective monitoring of the provision of phonics, early reading and reading comprehension throughout the school
- To use assessment information to plan interventions which ensure children make rapid and accelerated progress
- To continue to develop the positive reading culture

Quality of Education for SEND pupils

- To ensure SEND Leader plans strategically to meet the academic and pastoral needs of pupils with SEND
- To ensure that all teachers plan appropriately to meet the learning needs of pupils with SEND
- Senior leaders to ensure that the provision for the learning of pupils with SEND is robustly monitored

PSHE and the new Relationship and Sex Education Curriculum

- To ensure the 2020 Relationships framework becomes an integral part of the school's PSHE curriculum
- Wellbeing and Mental Health
- To raise children's awareness of their own mental health
- To develop school strategies to support the needs of the children
- To raise staff awareness of their own mental health and ensure they know how to get help when needed.

Leadership Development

- To ensure subject leaders are proactive in leading and development their curriculum area.
- To embed the new leadership structure (including new appointed Phase Leaders) to ensure effective, distributed leadership drives school improvement
- To use the appraisal systems effectively to develop staff to ensure the best outcomes for children
- To ensure that School Governors challenge Senior Leaders appropriately to ensure that school improvement is effective and continues at a rapid pace.
- To ensure that the roles and responsibilities for admin and finance staff are clearly defined to meet the needs of the school.

Mission & Values:

- Embed the Mission and Values statement

Religious Education:

- To develop a sustainable chaplaincy framework
- To develop AT3 opportunity for children to link and analysis their learning
- Identify links between the taught RE curriculum and other subjects.

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

The Academy has strong links with the parish of Holy Rood Catholic Church and the wider community. The Academy regularly features in the local newspaper, the Swindon Advertiser, reporting on the work of the school participating in events such as the World of Work, Broad Green Community Festival and Beat the Street.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

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 although in a more limited form 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. As evidenced in governor minutes, a good level of Trustee challenge and support ensured the school continued to improve and focus on key areas for development. All statutory returns were completed in a timely fashion 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 systems were set up to allow the chief financial officer to work remotely. Although there were minor changes to financial procedures, appropriate levels of authorisation were in place.

The leadership team continued to have a strong presence at the school during all partial lockdowns and managed and led the school highly effectively during this period.

A remote teaching and learning platform was used extensively throughout lockdown to ensure all pupils could continue with their studies. Teaching and support staff engaged with learners every day and provided a level of education to a high standard. Feedback for both parents and pupils was reported to the Trust Board regularly.

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

The school 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 returned in September.

Pupil Tracking and Assessment

The Academy is a 4-11 primary school. During the year 2020-21 the Academy had 13 classes (2 forms of entry from Reception to Year 5, and 1 form of entry in Year 6). Trustees and senior management team ensured that the focus of the Academy was on improvement in outcomes for all pupils.

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

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- An efficient and effective target setting and tracking system
- Excellent communication and support systems between the Academy and home

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 local and national data
- Engages the services of a School Improvement Partner

Due to Covid-19 there was no requirement, this year, to submit pupil data in line with the normal statutory data points. 'In school data' demonstrates that in the older children this would have been in line with outcomes from previous academic years. In some areas although the youngest children have had their learning the most noticeably disrupted and the consequential impact of their attainment and progress is evidence in school observations and assessments. This continues to show the strong progress that children make and demonstrates the impact of effective teaching over time.

To ensure that standards are continually assessed, the Academy Trust operates a programme of lesson observations, which are undertaken by the Senior Leadership Team. The performance management system operated in the school is based on the requirements of the Department for Education's Teacher Standards and teaching and staff performance is measured against these standards.

The close collaborative working partnership between the Holy Cross, St Catherine's and St Mary's, continues to thrive. Between September and December 2020, senior leaders joined the Executive Headteacher to develop the leadership capacity across the school and therefore improve outcomes for children.

As part of cost control, the Academy Trust has changed a number of its key support service providers. Best value continues to be achieved by consolidating the external provision of payroll, technical accountancy support and human resources administration.

Key Performance Indicators

The key performance indicator is the judgement from OFSTED (October 2021) that the overall effectiveness of the Trust is Requires Improvement in all areas apart from Early Years. However an onsite monitoring visit carried out in May 2021 reported that:

Leaders and those responsible for governance are taking effective action in order for the school to become a good school.

The key financial performance indicator is the level of reserves held at the balance sheet date. In particular, this includes the management of spending against General Annual Grant (GAG). In the period under review, £455,182 was carried forward representing circa 35% of GAG and unrestricted income. This confirmed that the Academy Trust had expended their GAG income on the provision of education, whilst being prudent and maintaining and rolling over some reserve funds to cover unforeseen financial contingencies and to cover rising costs over the next three years.

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers have increased due to the expansion of the school, a 7.8% increase (based on October census 2020 compared to 2021). This reflects the strength of performance the Trust has achieved in academic and financial matters.

Going Concern

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

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**TRUSTEES' REPORT (CONTINUED)
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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 2015), 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	=	-£523,541 (restated)
Total income for the year	=	£2,045,141
Total expenditure for the year	=	£1,812,325

The Academy made an in year surplus of £232,816 (being the movement in unrestricted funds and restricted funds (excluding pension reserve)).

At the 31 August 2021 the position of reserves was £539,005 (being the total balance at 31st August 2021 on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds).

The deficit on the defined benefit pension scheme increased from £745,000 to £1,166,000.

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

The Board of Trustees have appointed FS4S, an independent external company that specialises in school accountancy services, to produce monthly monitoring reports and financial support for the school. During the reporting period, the Trustees received monthly reports from FS4S, and any areas of concern were noted by the Trustees and clear plans of actions identified.

Responsible officer visits were not able to take place due to Covid-19 restrictions but regular monitoring reports on financial controls continued during the 'lockdown' period.

Reserves Policy

The Board of Trustees policy is to review the reserve levels of the Academy Trust annually with the objective of working towards the carrying forward of a prudent level of reserves that could meet any reasonable unforeseen operating cost contingencies plus make a contribution to future capital projects.

Trustees annually review the nature of the Academy Trust's income and expenditure streams, the need to match income with commitments and the nature and availability of reserves. When undertaking the review consideration is given to the future plans of the Academy Trust, the likelihood of external risks and uncertainty over future income streams and internal risks identified as part of the internal systems of control.

The Trustees aim to hold a reserve fund comprising free reserves and any surplus in General Annual Grant that in total would be equivalent to between two and three months operating costs.

The balance of free reserves of the academy amount to £436,742 unrestricted funds and £18,440 unspent GAG. This is the balance that the Trustees monitor in accordance with the Board's reserves policy. This represents approximately 3 months of normal recurring expenditure.

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The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy Trust.

Investment Policy

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Any cash not required for operating expenses is left on deposit with the Academy Trust's bank and interest is paid at the most favourable rate available. Funds left on deposit are protected as the Academy Trust's bank is based in the United Kingdom and is covered under the Financial Services Compensation Scheme.

PRINCIPAL RISKS AND UNCERTAINTIES

Financial and Risk Management Objectives and Policies

The Academy Trust has implemented a risk management policy, drawn up a risk register and action plans to manage, as far as it reasonably possible to do so, the significant risks identified. These have been discussed by Trustees and include the strategic, financial, compliance and operational risks to the Academy Trust. The register and plan are reviewed by the Finance, Premises and Staffing Committee and risk management plans developed in light of any new information.

During the reporting period the Trustees have assessed the major risks to which the Academy Trust is exposed, in particular those relating to its business, finances, facilities, operational areas and compliance. The Trustees, through the Senior Leadership Team, have implemented a number of systems to assess and minimise those risks, including the use of internal controls described elsewhere, insurance, the appointment of external support service providers and external specialists. A Risk Register has been drawn up and a Risk Management action plans put in place.

The Board of Trustees examine the financial state of the Academy Trust formally throughout the reporting period, reviewing performance against budgets and overall expenditure by means of regular update reports during Board of Trustees meetings and during the Finance, Premise and Staffing Committee meetings. The Trustees also regularly review the liquidity of the Academy Trust and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Academy Trust had no significant liabilities arising from creditors or debtors that would significantly affect cash flow or liquidity.

The Board of Trustees recognises that the defined benefit scheme deficit (Local Government Pension Scheme), which is set out in Note 24 to the financial statements, represents a significant potential liability. However, as the Trustees consider that the Academy Trust is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is minimised.

Principal Risks and Uncertainties

The main principle risks and uncertainties the Academy Trust face are as follows:

Financial - the Academy Trust has considerable reliance on continued government funding through the EFSA. The vast majority of the Academy Trust's incoming resources were ultimately government funded and whilst the level of funding 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. This risk is mitigated in part through the operation of a prudent reserves policy that is funded from restricted and unrestricted funding streams.

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Failures in Governance and/or Management - the risk in this area arises from potential failure to effectively manage the Academy Trust's finances, internal controls, compliance with regulations and legislation and statutory returns. The risk in this area has arisen this year due to changes in finance personnel. The Trust has bought in an external company (FS4S) to advise the Head teacher and Trustees to ensure effective management of risk, compliance, regulations, legislation and statutory returns. The Trustees, Executive Headteacher (for the period September 2020 to April 2021) Acting Headteacher (from April 2021 -) and Office Manager continue to review and ensure that appropriate measures are in place to mitigate known risks.

Reputational - the continuing success of the Academy Trust is dependent on continuing to maintain the highest educational standards. To mitigate this risk, Trustees ensure that pupil success and achievement and the performance of all staff, are closely monitored and reviewed.

Safeguarding and Child Protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health and safety and discipline.

Staffing - the success of the Academy Trust is reliant on the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff, as well as ensuring that annual staff appraisal cycle takes place.

Fraud and mis-management of funds - The Academy Trust has appointed a Responsible Officer to carry out checks on financial systems and records as required by the Academy Trust Financial Handbook. All business based support staff receive training to keep them up to date with financial practice requirements and develop their skills in this area. To migrate the risk of fraud and mis-management, the Academy Trust operates a system of segregation of duties and has in place a scheme of delegation for purchasing and authorisation of payments that utilises multiple signatories

Internal System of Control - The Academy Trust has continued to strengthen its risk management process throughout the year by improving the process of risk identification and management. A risk register is maintained, reviewed and updated on a regular basis.

Fundraising

The Trust aims to comply with the Guidelines, and confirms its commitment to the principles set out in the Guidelines for Charitable Organisations on Fundraising from the Public for Charitable Organisations.

The Trust's approach to fundraising is limited to requests for voluntary donations towards trips and events from stakeholders, made via newsletters or the school website. The Trust does not work with any commercial or professional fundraisers and third party fundraising is limited to the parent/teacher association organising school fayres, discos or family events.

Plans for Future Periods

The Academy Trust will continue to strive to provide good education and improve the levels of performance of its pupils at all levels. The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The Academy Trust will continue in developing high quality teaching in order to deliver its objectives.

The Academy Trust will continue to work with St Catherine's Catholic Primary School (Academy), St Mary's Catholic Primary School (Academy) and the Samuel Partnership to improve the educational opportunities for children throughout Holy Rood Parish and in the wider community and explore moving towards a Multi Academy Trust.

The Academy Trust will continue to maintain high pupil numbers on roll to maintain a capacity figure of 420 pupils at statutory school age.

**HOLY CROSS CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

The Academy Trust will continue to develop and refine the use a variety of approaches to support children's learning. All the national curriculum subjects will continue to be taught by the school and whenever possible a cross curricular approach through topic work will be used. Sometimes classes will be taught using whole class teaching methods whereas at other times group work will be used to encourage children to co-operate in the development of their learning. The broad and balanced curriculum for across the school will continue to be embedded throughout the school particularly in the key areas of English and Maths.

The school will complete its expansion to a full 2 form primary school.

Full details of our plans for the future are given in our Academy Development Plan, which is available on our website or from the Clerk to the Trustees.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy and its Trustees do not act as the Custodian Trustees of any other Charity.

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.

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on _____ and signed on the board's behalf by:

Signed

**Marguerite Holliday
Chair of Trustees**

**HOLY CROSS CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

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

**HOLY CROSS CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (CONTINUED)

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the statement of trustees' responsibilities. The Board of Trustees has formally met 12 times during the year.

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

Trustee	Meetings attended	Out of a possible
R Christian, Staff Governor	4	4
J Clifford, Foundation Governor	9	10
S D'Costa, Staff Governor	7	7
A Henstridge, Ex-Officio Governor	3	3
M Holliday, Foundation Governor	12	12
D Kole, Parent Governor	10	10
L Mochan, Foundation Governor	12	12
R Paone, Foundation Governor	4	7
K Salter, Ex-Officio Governor	5	5
J D'Souza, Foundation Governor	7	12
B Starczewski, Foundation Governor	11	12
P Wright, Parent Governor	9	10
A Flockhart, Foundation Governor	2	2
C Eades, Foundation Governor	2	2
M C Cabrera-Aguilera, Foundation Governor	1	1

R Christian attended meetings from September 2020 but as an Observer; he was appointed as a Staff Governor in March 2021

S D'Costa was elected as Staff Governor for two terms, one ending 31.12.20 and the second starting on 20.3.21

A Henstridge was off sick from 1.1.21 and died on 1.3.21

K Salter attended all meetings but the attendance data only relate to KS when in the ex-officio role (1.3.21+)

J D'Souza was elected as Parent Governor on 1.9.16 but then transferred to being a Foundation Governor from 4.8.20

The board of trustees has changed in composition with the resignation of John Clifford and the death of Andrew Henstridge. New members of the board have been appointed into Parent and Foundation Governor Roles. Staff Governors have been re-elected. Recruitment of new trustees continues to be somewhat challenging.

The trustees have focused on the development of new leadership structures across the school to ensure effective leadership of a now full 2 form primary school. This included the appointment of Phase Leaders.

Trustees have prioritised the development of existing teaching staff in their roles as subject leaders and coaching and training is provided by the school's senior leaders and School Improvement Partners.

The coverage of the board's work

The board has encouraged the school to continue to develop and embed a whole school curriculum which meets the needs to the children who attend Holy Cross. It has also kept up to date with the revision of the school's approach to Reading – as detailed in the School Development Plan. The progress made across the school, in these and other areas, was acknowledged in an OFSTED section 5 monitoring visit in May 2021. "Leaders and those responsible for governance are taking effective action in order for the school to become a good school."

Performance, self-assessment and challenges

The board continues to take up opportunities with regard to training and development where possible in line with needs identified at annual skills audits and with 1:1s of governors with the Chair. In common with many schools up and down the country, and despite ongoing efforts to recruit governors with expertise in business and finance by both the school and the diocese, it remains challenging to recruit and retain governors due, to both local and national circumstances.

**HOLY CROSS CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (CONTINUED)

GOVERNANCE (CONTINUED)

The school has recently been through a difficult period. The executive Headteacher was absent from January 2021 and passed away in April 2021. The trustees appointed an interim executive Headteacher, who took up post in the spring term 2021, moving from their previous role as the school's improvement partner. The Head of School and Assistant Heads were appointed as Acting Head and Acting Deputy in April 2021. All leaders continue to work closely with two other similar schools in the local area.

Data

The board of trustees has been provided with financial data from the school's external financial consultants FS4S/Juniper and this has been interrogated by the finance committee with professional challenge/dialogues between the board and FS4S.

Academic performance data from the school leaders' has been challenging to provide this year due to the impact of COVID, however this data is internally moderated and again challenged and interrogated by the board at full board meetings. External scrutiny has also been available from Ofsted (section 5 and monitoring of online provision), from our school improvement partners - and this data has been triangulated by governor visits, both virtual and live. Furthermore, an experienced chair from a neighbouring school, with a 'good' Ofsted judgement was invited to attend and support full board meetings this year. Her contribution was much appreciated and valued.

A review of governance was carried out in the form of individual skills audits for each governor which were compared with the previous years' audits. This process, linked with the aspects of the school governors were monitoring (linked, in turn, to the school's Development Plan) fed into the training undertaken by governors throughout the year. Governors also attended a number of bespoke governor training sessions commissioned by us and our sister schools on the topic of 'governor role and challenge'. The next self-evaluation is scheduled to take place in autumn 2021.

REVIEW OF VALUE FOR MONEY

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

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

- Collaborative purchasing of IT resources and premises equipment with St Mary's and St Catherine's Catholic Primary Schools 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 designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Holy Cross Catholic Primary School for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

**HOLY CROSS CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (CONTINUED)

CAPACITY TO HANDLE RISK

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

THE RISK AND CONTROL FRAMEWORK

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

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

The Board of Trustees has decided to employ Babcock LDP as internal auditor.

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

- review of budget setting, monitoring and governance
- 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 audit and risk committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and annually prepares a short annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

Babcock were commissioned to do an extensive internal audit for the school in April/ May 2021 which was finally carried out in June and reported back to the school July. Governors and the Acting Executive Head were satisfied that the schedule of work was delivered. A number of recommendations were made which are all being taken on board - but the main point was to increase the capacity of our business/ finance knowledge in the office in the form of employing a school business manager - both to make more efficient the school systems and increase the quality of reporting to governors. School leadership and governors considered and agreed this recommendation. A job description was drafted, approved and an appointment was made in December 2021 - with the new person due to start on February 2022.

**HOLY CROSS CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (CONTINUED)

REVIEW OF EFFECTIVENESS

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

- the work of the internal auditor;
- the work of the external auditors;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the audit and risk committee 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
their behalf by:

and signed on

M Holliday
Chair of Trustees

K Salter
Accounting Officer

**HOLY CROSS CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Holy Cross Catholic Primary School I have considered my responsibility to notify the Academy Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the Academy Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook 2020.

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.

K Salter
Accounting Officer
Date:

**HOLY CROSS CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021**

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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

M Holliday
Trustee
Date:

**HOLY CROSS CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF HOLY
CROSS CATHOLIC PRIMARY SCHOOL**

OPINION

We have audited the financial statements of Holy Cross Catholic Primary School (the 'academy') for the year ended 31 August 2021 which comprise the Statement of financial activities, the balance sheet, the statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

**HOLY CROSS CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF HOLY
CROSS CATHOLIC PRIMARY SCHOOL (CONTINUED)**

OTHER INFORMATION

The other information comprises the information included in the annual report other than the financial statements and our auditors' report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

RESPONSIBILITIES OF TRUSTEES

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

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

**HOLY CROSS CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF HOLY
CROSS CATHOLIC PRIMARY SCHOOL (CONTINUED)**

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the Academy sector, control environment and the Academy's performance;
- results of our enquiries of management and the Trustee board, including the committees charged with governance over the Academy's finance and control, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Academy's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or noncompliance with laws and regulations;
- how the Academy ensured it met its obligations arising from it being financed by the ESFA and other funders, and as such material compliance with these obligations is required to ensure the Academy will continue to receive its public funding and be authorised to operate, including around ensuring there is no material unauthorised use of funds and expenditure;
- how the Academy ensured it met its obligations to its principal regulator, the Secretary of State for Education; and
- the matters discussed among the audit engagement team and involving relevant internal Academy specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue, management override of controls using manual journal entries, procurement and payroll. We identified the greatest potential for fraud as incorrect recognition of revenue and management override using manual journal entries.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the Academy operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Academies Accounts Direction, Academies Financial Handbook, UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Academy's ability to operate or to avoid a material penalty. These included safeguarding regulations, data protection regulations, occupational health and safety regulations, education and inspections legislation, building legislation and employment legislation.

**HOLY CROSS CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF HOLY
CROSS CATHOLIC PRIMARY SCHOOL (CONTINUED)**

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of Trustees and management and those charged with governance concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of its regulators;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing internal control reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

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

USE OF OUR REPORT

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

John Talbot FCA (senior statutory auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

10 Temple Back

Bristol

BS1 6FL

Date:

**HOLY CROSS CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO HOLY
CROSS CATHOLIC PRIMARY SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 8 November 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, 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 year 1 September 2020 to 31 August 2021 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 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 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 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 dated 24 August 2012 and the Academies Financial Handbook, extant from 1 September 2020, 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 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

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

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

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

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

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**HOLY CROSS CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO HOLY
CROSS CATHOLIC PRIMARY SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY
(CONTINUED)**

CONCLUSION

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
10 Temple Back
Bristol
BS1 6FL

Date:

**HOLY CROSS CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	As restated Total funds 2020 £
INCOME FROM:						
Donations and capital grants	3	68,000	-	7,639	75,639	104,900
Other trading activities		13,892	14,291	-	28,183	20,023
Investments	6	52	-	-	52	120
Charitable activities	4	379,663	1,561,604	-	1,941,267	1,334,156
TOTAL INCOME		461,607	1,575,895	7,639	2,045,141	1,459,199
EXPENDITURE ON:						
Charitable activities	8	135,567	1,654,306	22,452	1,812,325	1,508,683
TOTAL EXPENDITURE		135,567	1,654,306	22,452	1,812,325	1,508,683
NET MOVEMENT IN FUNDS BEFORE OTHER RECOGNISED GAINS/(LOSSES)						
		326,040	(78,411)	(14,813)	232,816	(49,484)
OTHER RECOGNISED GAINS/(LOSSES):						
Actuarial losses on defined benefit pension schemes	24	-	(336,000)	-	(336,000)	(60,000)
NET MOVEMENT IN FUNDS		326,040	(414,411)	(14,813)	(103,184)	(109,484)
RECONCILIATION OF FUNDS:						
Total funds brought forward		110,702	(733,149)	98,906	(523,541)	(414,057)
Net movement in funds		326,040	(414,411)	(14,813)	(103,184)	(109,484)
TOTAL FUNDS CARRIED FORWARD		436,742	(1,147,560)	84,093	(626,725)	(523,541)

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 30 to 55 form part of these financial statements.

**HOLY CROSS CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:07696905**

**BALANCE SHEET
AS AT 31 AUGUST 2021**

	Note	2021 £	As restated 2020 £
FIXED ASSETS			
Tangible assets	14	45,698	60,346
CURRENT ASSETS			
Debtors	15	61,077	219,132
Cash at bank and in hand		620,679	277,557
		<u>681,756</u>	<u>496,689</u>
Creditors: amounts falling due within one year	16	(188,179)	(335,576)
		<u>493,577</u>	161,113
NET CURRENT ASSETS			
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>539,275</u>	<u>221,459</u>
NET ASSETS EXCLUDING PENSION LIABILITY			
		<u>539,275</u>	221,459
Defined benefit pension scheme liability	24	(1,166,000)	(745,000)
TOTAL NET ASSETS		<u><u>(626,725)</u></u>	<u><u>(523,541)</u></u>
FUNDS OF THE ACADEMY			
RESTRICTED FUNDS:			
Fixed asset funds	18	84,093	98,906
Restricted income funds	18	18,440	11,851
		<u>102,533</u>	<u>110,757</u>
Restricted funds excluding pension asset	18	102,533	110,757
Pension reserve	18	(1,166,000)	(745,000)
		<u>(1,063,467)</u>	<u>(634,243)</u>
TOTAL RESTRICTED FUNDS		<u>(1,063,467)</u>	(634,243)
UNRESTRICTED INCOME FUNDS		<u>436,742</u>	110,702
TOTAL FUNDS		<u><u>(626,725)</u></u>	<u><u>(523,541)</u></u>

The financial statements on pages 27 to 55 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

M Holliday
Chair of trustees
Date:

The notes on pages 30 to 55 form part of these financial statements.

**HOLY CROSS CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	2021 £	2020 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash provided by operating activities	20	343,287	64,416
CASH FLOWS FROM INVESTING ACTIVITIES			
	21	(165)	(16,711)
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR			
Cash and cash equivalents at the beginning of the year		277,557	229,852
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	22	620,679	277,557

The notes on pages 30 to 55 form part of these financial statements

**HOLY CROSS CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 GOING CONCERN

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy 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 has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

**HOLY CROSS CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. ACCOUNTING POLICIES (continued)

1.3 INCOME

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

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

• **Donated fixed assets (excluding transfers on conversion or into the Academy)**

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as 'Income from Donations and Capital Grants' and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy's accounting policies.

1.4 EXPENDITURE

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

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

**HOLY CROSS CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. ACCOUNTING POLICIES (continued)

1.5 INTEREST RECEIVABLE

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

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

Assets costing £1000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- 50 years
Site improvements	- 20 - 50 years
Furniture and equipment	- 4 years
Motor vehicles	- 4 years
Computer equipment	- 3 years

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

Where the Academy Trust has been granted use of the school buildings from the Diocese under Supplemental Agreements, the Academies Accounts Direction prescribes that under this agreement the risks and rewards of ownership remain with the Diocese. A donation from the Diocese has been recognised equal to the deemed rental expense, based on the rateable value of the buildings.

1.7 DEBTORS

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

1.8 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 30 days.

1.9 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 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.

**HOLY CROSS CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. ACCOUNTING POLICIES (continued)

1.10 FINANCIAL INSTRUMENTS

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments.

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

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

1.11 PENSIONS

Retirement benefits to employees of the Academy 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 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 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.

**HOLY CROSS CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. ACCOUNTING POLICIES (continued)

1.12 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 the funders where the asset acquired or created is held for a specific purpose.

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

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

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. 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:

The Academy obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

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(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

3. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	68,000	-	-	68,000	74,919
Grants	-	-	7,639	7,639	29,981
	<u>68,000</u>	<u>-</u>	<u>7,639</u>	<u>75,639</u>	<u>104,900</u>
 TOTAL 2020	<u>74,919</u>	<u>23,000</u>	<u>6,981</u>	<u>104,900</u>	

**HOLY CROSS CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

4. FUNDING FOR THE ACADEMY'S EDUCATION

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
DFE/ESFA GRANTS				
General Annual Grant	-	1,295,142	1,295,142	1,054,941
OTHER DFE/ESFA GRANTS				
Pupil Premium	-	31,836	31,836	33,838
UIFSM	-	65,062	65,062	68,172
Rates reclaim	-	1,872	1,872	3,906
Teachers Pay and Pension Grant	-	61,361	61,361	51,804
PE and Sports Grant	-	18,353	18,353	18,090
	-	1,473,626	1,473,626	1,230,751
OTHER GOVERNMENT GRANTS				
Special Educational Needs	-	58,338	58,338	61,818
Trigger funding	359,972	-	359,972	-
	359,972	58,338	418,310	61,818
Other income from the Academy's education	19,691	-	19,691	41,587
COVID-19 ADDITIONAL FUNDING (DFE/ESFA)				
Catch-up Premium	-	29,640	29,640	-
	-	29,640	29,640	-
	379,663	1,561,604	1,941,267	1,334,156
TOTAL 2020	41,587	1,292,569	1,334,156	

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the academy's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

**HOLY CROSS CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

5. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Lettings income	13,892	-	13,892	10,958
Sale of goods or services	-	14,291	14,291	9,065
	<u>13,892</u>	<u>14,291</u>	<u>28,183</u>	<u>20,023</u>
TOTAL 2020	<u>20,023</u>	<u>-</u>	<u>20,023</u>	

6. INVESTMENT INCOME

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Deposit account interest	52	52	120
	<u>52</u>	<u>52</u>	<u>120</u>
TOTAL 2020	<u>120</u>	<u>120</u>	

7. EXPENDITURE

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £	Total 2020 £
EDUCATION:					
Direct costs	1,060,803	-	116,971	1,177,774	963,091
Allocated support costs	284,907	-	349,644	634,551	545,592
	<u>1,345,710</u>	<u>-</u>	<u>466,615</u>	<u>1,812,325</u>	<u>1,508,683</u>
TOTAL 2020	<u>1,100,070</u>	<u>208,424</u>	<u>200,189</u>	<u>1,508,683</u>	

**HOLY CROSS CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Education	135,567	1,676,758	1,812,325	1,508,683
	<u>135,567</u>	<u>1,676,758</u>	<u>1,812,325</u>	
TOTAL 2020	177,750	1,330,933	1,508,683	
	<u>177,750</u>	<u>1,330,933</u>	<u>1,508,683</u>	

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Education	1,177,774	634,551	1,812,325	1,508,683
	<u>1,177,774</u>	<u>634,551</u>	<u>1,812,325</u>	
TOTAL 2020	963,091	545,592	1,508,683	
	<u>963,091</u>	<u>545,592</u>	<u>1,508,683</u>	

ANALYSIS OF DIRECT COSTS

	Total funds 2021 £	Total funds 2020 £
Pension finance costs	13,000	12,000
Staff costs	1,060,803	862,925
Educational supplies	103,221	86,509
Supply teachers	750	1,657
	<u>1,177,774</u>	<u>963,091</u>

ANALYSIS OF SUPPORT COSTS

**HOLY CROSS CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS (continued)

	Total funds 2021 £	Total funds 2020 £
Staff costs	284,907	237,145
Depreciation	22,452	13,412
Premises costs	97,676	76,072
Cleaning	62,544	2,966
Rent and rates	69,478	80,005
Energy costs	19,229	15,732
Catering	3,131	33,647
Office overheads	47,126	44,854
Legal and professional	28,008	41,759
	634,551	545,592
	634,551	545,592

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) for the year includes:

	2021 £	As restated 2020 £
Operating lease rentals	-	3,164
Depreciation of tangible fixed assets	30,826	30,619
Fees paid to auditors for:		
- audit	7,400	6,800
- other services	1,500	1,310
	7,900	8,110
	7,900	8,110

**HOLY CROSS CATHOLIC PRIMARY SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

11. STAFF

a. STAFF COSTS

Staff costs during the year were as follows:

	2021	2020
	£	£
Wages and salaries	976,334	805,278
Social security costs	75,785	40,240
Pension costs	293,591	254,552
	<u>1,365,710</u>	<u>1,100,070</u>

b. STAFF NUMBERS

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

	2021	2020
	No.	No.
Teachers	16	13
Administration and support	28	39
Management	3	7
	<u>47</u>	<u>59</u>

The average headcount expressed as full-time equivalents was:

	2021	2020
	No.	No.
Teachers	13	12
Administration and support	20	15
Management	2	4
	<u>35</u>	<u>31</u>

c. HIGHER PAID STAFF

No employee received remuneration amounting to more than £60,000 in either year.

d. KEY MANAGEMENT PERSONNEL

The key management personnel of the Academy comprise the Trustees (who do not receive remuneration for their role as Trustees) and the Senior Management Team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £155,860 (2020: £163,799)

As staff trustees are not remunerated in respect of their role as a trustee, where staff trustees do not form

**HOLY CROSS CATHOLIC PRIMARY SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

11. STAFF (CONTINUED)

d. KEY MANAGEMENT PERSONNEL (CONTINUED)

part of the key management personnel other than in their role as trustee, their remuneration as set out in note 12 has not been included in the total benefits received by key management personnel above.

**HOLY CROSS CATHOLIC PRIMARY SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

12. TRUSTEES' REMUNERATION AND EXPENSES

The Headteacher and other staff Trustees only received remuneration in respect of services they provide undertaking the roles of Headteacher and staff under their contracts of employment, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the academy in respect of their role as trustees. The value of Trustees' remuneration and other benefits was as follows. R Christian (Staff Governor): Remuneration £20,000 - £25,000 (2020: £20,000 - £25,000), Employer's pension contributions £5,000 - £10,000 (2020: £5,000 - £10,000). S D'Costa (Staff Governor): Remuneration £15,000 - £20,000 (2020: £15,000 - £20,000), Employer's pension contributions £0 - £5,000 (2020: £0 - £5,000). K Salter (Ex-Officio Governor): Remuneration £50,000 - £60,000 and Employer's pension contributions £10,000 - £20,000. K Salter was appointed in the year.

During the year ended 31 August 2021, no Trustee expenses have been incurred (2020 - £16).

13. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice, the Academy has purchased insurance to protect Trustees 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 and the cost for the year ended 31 August 2021 was £9,432. The cost of this insurance is included in the total insurance cost.

**HOLY CROSS CATHOLIC PRIMARY SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

14. TANGIBLE FIXED ASSETS

	Freehold property £	Site improvements £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
COST OR VALUATION						
At 1 September 2020 (as previously stated)	252,000	90,729	118,336	186,285	10,600	657,950
Prior Year Adjustment	(252,000)	(76,548)	-	-	-	(328,548)
At 1 September 2020 (as restated)	-	14,181	118,336	186,285	10,600	329,402
Additions	-	-	2,104	5,700	-	7,804
At 31 August 2021	-	14,181	120,440	191,985	10,600	337,206
DEPRECIATION						
At 1 September 2020 (as previously stated)	(39,473)	6,047	85,022	172,376	10,600	234,572
Prior Year Adjustment	39,473	(4,989)	-	-	-	34,484
At 1 September 2020 (as restated)	-	1,058	85,022	172,376	10,600	269,056
Charge for the year	-	708	12,173	9,571	-	22,452
At 31 August 2021	-	1,766	97,195	181,947	10,600	291,508
NET BOOK VALUE						
At 31 August 2021	-	12,415	23,245	10,038	-	45,698
At 31 August 2020 (as restated)	-	13,123	33,314	13,909	-	60,346

HOLY CROSS CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

15. DEBTORS

	2021 £	2020 £
DUE WITHIN ONE YEAR		
Trade debtors	6,140	4,662
Prepayments and accrued income	6,708	194,458
Tax recoverable	48,229	20,012
	<u>61,077</u>	<u>219,132</u>

**HOLY CROSS CATHOLIC PRIMARY SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	23,139	2,653
Other taxation and social security	21,892	14,865
Other creditors	83,060	97,039
Accruals and deferred income	60,088	221,019
	<u>188,179</u>	<u>335,576</u>
	2021	2020
	£	£
Deferred income at 1 September 2020	42,759	39,355
Resources deferred during the year	41,028	42,759
Amounts released from previous periods	(42,759)	(39,355)
	<u>41,028</u>	<u>42,759</u>

17. FINANCIAL INSTRUMENTS

	2021
	£
FINANCIAL ASSETS	
Financial assets measured at fair value through income and expenditure	<u>620,679</u>

Financial assets measured at fair value through income and expenditure comprise cash and cash equivalents.

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18. STATEMENT OF FUNDS

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2021 £
UNRESTRICTED FUNDS					
General Funds	110,702	461,607	(135,567)	-	436,742
RESTRICTED GENERAL FUNDS					
General Annual Grant (GAG)	9,334	1,295,142	(1,286,036)	-	18,440
High Needs	-	58,338	(58,338)	-	-
Pupil Premium	-	31,836	(31,836)	-	-
UIFSM	-	65,062	(65,062)	-	-
Other DfE/ESFA grants	2,517	1,872	(4,389)	-	-
Teachers pay and pensions grant	-	45,279	(45,279)	-	-
PE and sports grant	-	18,353	(18,353)	-	-
Catch up premium	-	29,640	(29,640)	-	-
Other restricted funds	-	30,373	(30,373)	-	-
Pension reserve	(745,000)	-	(85,000)	(336,000)	(1,166,000)
	<u>(733,149)</u>	<u>1,575,895</u>	<u>(1,654,306)</u>	<u>(336,000)</u>	<u>(1,147,560)</u>
RESTRICTED FIXED ASSET FUNDS					
DfE/ ESFA Capital Grants	32,923	7,639	(22,452)	-	18,110
Start up capital grants	21,491	-	-	-	21,491
Other capital grants	44,492	-	-	-	44,492
	<u>98,906</u>	<u>7,639</u>	<u>(22,452)</u>	<u>-</u>	<u>84,093</u>
TOTAL RESTRICTED FUNDS	<u>(634,243)</u>	<u>1,583,534</u>	<u>(1,676,758)</u>	<u>(336,000)</u>	<u>(1,063,467)</u>
TOTAL FUNDS	<u>(523,541)</u>	<u>2,045,141</u>	<u>(1,812,325)</u>	<u>(336,000)</u>	<u>(626,725)</u>

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

General Annual Grant - Income from ESFA which is to be used for the normal running costs to the Academy, including education and support costs.

Pupil Premium - Pupil premium represents funding received from the ESFA for children that qualify for free school meals to enable the Academy Trust to address the current underlying inequalities between those children and their wealthier peers.

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18. STATEMENT OF FUNDS (CONTINUED)

High Needs - Funding received by the Local Authority to fund further support for students with additional needs.

Universal infant free school meals represents money received from the ESFA for the provision of free school meals to all reception and key stage one pupils.

PE and Sports Grant - Funding received from EFSA to improve PE and sports provision for the benefit of primary aged pupils, so that they develop healthy lifestyles.

Teachers pay and pensions grant - Funding received for pay and pension increases.

Catch up premium - Funding received to support children and young people to catch up on missed learning caused by coronavirus.

Pension reserve - this represents the Academy's share of asset and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion.

Other restricted income includes other DfE/ESFA grants and other donations received in the year.

Capital grants - These funds are received for direct expenditure for fixed asset projects. The fixed asset fund balance as the year end represents the NBV of fixed assets and any unspent grant amounts.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2021.

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

	Balance at 1 September 2019 As restated £	Income £	As restated Expenditure £	Balance at 31 August 2020 As restated £
UNRESTRICTED FUNDS				
General Funds	85,640	128,046	(102,984)	110,702
RESTRICTED GENERAL FUNDS				
General Annual Grant (GAG)	7,452	1,054,941	(1,053,059)	9,334
Other DfE/ESFA grants	-	141,972	(139,555)	2,417
Teachers pay and pensions grant	100	-	-	100
Pension reserve	(607,000)	-	(78,000)	(745,000)
	<u>(599,448)</u>	<u>1,196,913</u>	<u>(1,270,614)</u>	<u>(733,149)</u>

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18. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2019 As restated £	Income £	As restated Expenditure £	Balance at 31 August 2020 As restated £
RESTRICTED FIXED ASSET FUNDS				
Fixed Assets Purchased from GAG	500	-	(500)	-
DfE/ ESFA Capital Grants	36,955	6,981	(11,013)	32,923
Start up capital grants	25,707	-	(4,216)	21,491
Other capital grants	28,421	23,000	(6,929)	44,492
	91,583	29,981	(22,658)	98,906
TOTAL RESTRICTED FUNDS	(507,865)	1,226,894	(1,293,272)	(634,243)
TOTAL FUNDS	(422,225)	1,354,940	(1,396,256)	(523,541)

A prior year adjustment has been included in these accounts in regards to the de-recognition of Freehold property and Site improvements relating to the school buildings that are owned by the Diocese. This has resulted in the prior year figures being re-stated to reflect this. The Statement of Financial Activities has been restated in regards to the depreciation charge on these assets of £34,484 and the cost of £328,548. Please refer to note 14 for further details.

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	45,698	45,698
Current assets	436,742	206,619	38,395	681,756
Creditors due within one year	-	(188,179)	-	(188,179)
Provisions for liabilities and charges	-	(1,166,000)	-	(1,166,000)
TOTAL	436,742	(1,147,560)	84,093	(626,725)

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19. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	60,346	60,346
Current assets	250,702	207,427	38,560	496,689
Creditors due within one year	(140,000)	(195,576)	-	(335,576)
Provisions for liabilities and charges	-	(745,000)	-	(745,000)
TOTAL	<u>110,702</u>	<u>(733,149)</u>	<u>98,906</u>	<u>(523,541)</u>

20. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income/(expenditure) for the year (as per statement of financial activities)	<u>232,816</u>	<u>(49,484)</u>
ADJUSTMENTS FOR:		
Depreciation	22,452	30,826
Capital grants from DfE and other capital income	(7,639)	(6,981)
Interest receivable	-	(120)
Defined benefit pension scheme cost less contributions payable	72,000	66,000
Defined benefit pension scheme finance cost	13,000	12,000
Increase in debtors	158,055	(2,842)
(Decrease)/increase in creditors	(147,397)	15,017
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>343,287</u>	<u>64,416</u>

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21. CASH FLOWS FROM INVESTING ACTIVITIES

	2021 £	2020 £
Interest received	-	120
Purchase of tangible fixed assets	(7,804)	(25,025)
Proceeds from the sale of tangible fixed assets	-	1,213
Capital grants from DfE/EFSA	7,639	6,981
NET CASH USED IN INVESTING ACTIVITIES	(165)	(16,711)

22. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £	2020 £
Cash in hand and at bank	620,679	277,557
TOTAL CASH AND CASH EQUIVALENTS	620,679	277,557

23. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	277,557	343,122	620,679
	277,557	343,122	620,679

24. PENSION COMMITMENTS

The Academy'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 related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

Contributions amounting to £3,027 were payable to the schemes at 31 August 2021 (2020 - £13,979) and are included within creditors.

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**NOTES TO THE FINANCIAL STATEMENTS
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24. PENSION COMMITMENTS (CONTINUED)

TEACHERS' PENSION SCHEME

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

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

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 year amounted to £114,400 (2020 - £119,000).

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

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

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 2021 was £99,000 (2020 - £83,000), of which employer's contributions totalled £81,000 (2020 - £68,000) and employees' contributions totalled £ 18,000 (2020 - £15,000). The agreed contribution rates for future years are 10.5 per cent for employers and 5.5% - 12.5% per cent for employees.

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

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**NOTES TO THE FINANCIAL STATEMENTS
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24. PENSION COMMITMENTS (CONTINUED)

PRINCIPAL ACTUARIAL ASSUMPTIONS

	2021	2020
	%	%
Rate of increase in salaries	3.3	2.60
Rate of increase for pensions in payment/inflation	2.90	2.20
Discount rate for scheme liabilities	1.65	1.70
Inflation assumption (CPI)	2.9	2.20

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

	2021	2020
	Years	Years
RETIRING TODAY		
Males	21.9	21.7
Females	24.4	24.0
RETIRING IN 20 YEARS		
Males	22.9	22.5
Females	26.2	25.5

SENSITIVITY ANALYSIS

SHARE OF SCHEME ASSETS

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

	2021	2020
	£	£
Equities	897,000	764,960
Corporate bonds	538,000	437,120
Property	179,000	163,920
Cash and other liquid assets	16,000	-
TOTAL MARKET VALUE OF ASSETS	1,630,000	1,366,000

The actual return on scheme assets was £29,000 (2020 - £185,000).

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24. PENSION COMMITMENTS (CONTINUED)

The amounts recognised in the Statement of financial activities are as follows:

	2021	2020
	£	£
Current service cost	(153,000)	(134,000)
Interest income	24,000	25,000
Interest cost	(37,000)	(37,000)
TOTAL AMOUNT RECOGNISED IN THE STATEMENT OF FINANCIAL ACTIVITIES	(166,000)	(146,000)

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

	2021	2020
	£	£
AT 1 SEPTEMBER	2,109,000	1,874,000
Current service cost	153,000	134,000
Interest cost	37,000	37,000
Actuarial losses	497,000	64,000
AT 31 AUGUST	2,796,000	2,109,000

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

	2021	2020
	£	£
AT 1 SEPTEMBER	1,366,000	1,267,000
Interest income	24,000	25,000
Actuarial gains	161,000	4,000
Employer contributions	81,000	68,000
Benefits paid	(20,000)	(13,000)
Employee contributions	18,000	15,000
AT 31 AUGUST	1,630,000	1,366,000

25. MEMBERS' LIABILITY

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

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26. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy 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 Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy's financial regulations and normal procurement procedures relating to connected and related party transactions.

The accounting officer, K Salter, is employed as head teacher of the academy trust. The accounting officer received remuneration in respect of services provided in undertaking the role of principal under her contract of employment. For the year to 31 August 2021, K Salter received remuneration between £55,000 - £60,000 and employer's pension contribution between £10,000 - £15,000.

L Christian, spouse of R Christian, a trustee, 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 received 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 of which the academy is also a member. P Hughes, accounting officer and executive principal 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 was £24,967 (2020: £99,453).

The academy has a service level agreement with the Clifton Diocese. The Service Level Agreement entitles all school 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 £Nil (2020: £1,220) was incurred in the year.

Included in rent is a notional rent charge of £68,000 (2020: £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.

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

St. Joseph's Catholic College £773 (2020: £11,979)
St Mary's Catholic Primary School £66,196 (2020: £338)
St Catherine's Catholic Primary School £5,000 (2020: £Nil)
Holy Family Catholic Primary School and Nursery £Nil (2020: £121)

The academy provided services to the following schools in The Samuel Partnership:
St Joseph's Catholic College £Nil (2020: £12,396)

27. General information

Holy Cross Catholic Primary School is a company limited by guarantee, incorporated in England and Wales. The registered office is Queens Drive, Swindon, SN3 1AR.

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28. Prior year adjustment

The accounts include a prior year adjustment in regards to the de-recognition of Freehold property, and Site improvements costs that were capitalised rather than treated as a revenue expense due to the school buildings being owned by the Diocese. Please refer to note 14 and note 18 for further details.