

Company Registration No. 09218084 (England and Wales)

**ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2020**

ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

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ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Members

M Fairhall
Most Reverend J Wilson
P McCallum

Governors

A Arole
M Fairhall (Chair of Governors)
H Knott (Resigned 16 March 2020)
V Maher (Accounting officer)
P O'Halloran (Chair of Resources)
Reverend C Okafor
C Pierce
S Said
S Tokoro
R Williams
J Winter
J Weatherall

Senior management team

V Maher - Headteacher
R Williams - Deputy Headteacher
G Parry - Deputy Headteacher
S Harris - School Financial Officer

Company secretary

S Harris

Company registration number

09218084 (England and Wales)

Registered office

Chelsfield Road
ORPINGTON
Kent
BR5 4DR

Independent auditor

Azets Audit Services
Greytown House
221-227 High Street
Orpington
Kent
BR6 0NZ

Bankers

Lloyds Bank
177-179 High Street
Orpington
Kent
BR6 0LJ

Solicitors

Winkworth Sherwood
Minerva House
5 Montague Close
London
SE1 9BB

ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

The governors present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy operates an academy for pupils aged 4 to 11. St. Philomena's does not have a catchment area; the Governing Body set the admissions criteria in line with Diocesan guidance. It has a pupil capacity of 218 and had a roll of 202 in the school census September 2020.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The governors are the trustees of St Philomena's Catholic Primary School and are also the directors of the charitable company for the purposes of company law. Details of the governors who served during the year are included in the Reference and Administrative Details on page 1.

St Philomena's Catholic Primary School was incorporated on 15 September 2014 and obtained Academy status from 1 October 2014.

Members' liability

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

Principal activities

The principal activity of the Academy is 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 school offering a broad and balanced curriculum.

Method of recruitment and appointment or election of governors

The members of the Academy Trust shall comprise the signatories to the Memorandum, three ex officio members being the Vicar General, Diocesan Financial Secretary and the Chair of Governors; any further person appointed by the Archbishop, the Chair of the Governors and any person appointed under Article 16.

The number of Governors shall be not less than 3, but shall not be subject to a maximum. The first Governors shall be those named in the initial Memorandum. The Academy Trust shall have the following Governors; 8 Foundation Governor appointed under Article 50; Staff Governors appointed under Article 50A up to one third of the total number of governors; 1 Local Governor appointed under Article 51; Parent Governors elected or appointed under Articles 53-58 and the Headteacher. The Academy may also have up to 2 Co-opted Governors, a person who is appointed to be a Governor by being co-opted by Governors who have not themselves been so appointed. The Governors may not co-opt an employee of the Academy Trust as a Co-opted Governor if the number of Governors who are employed by the Academy Trust would thereby exceed one-third of the total number of Governors (including the Headteacher).

Each of the persons entitled to appoint members above shall have the right, from time to time by written notice delivered to the Office, to remove any Member appointed by them and to appoint a replacement member to fill a vacancy whether resulting from such removal or otherwise.

The term of office for any Governor shall be 4 years, save that this time limit shall not apply to the Headteacher subject to remaining eligible to be a particular type of Governor, and Governor may be re-appointed or re-elected.

ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Policies and procedures adopted for the induction and training of governors

During the period under review the Governors held five meetings. The training and induction provided for new Governors will depend on their existing experience. All new Governors will be given a tour of the Academy and the chance to meet with staff and students. All relevant Governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Governors. As there are normally only two or three new Governors in a period, induction tends to be done informally and is tailored specifically to the individual.

Organisational structure

The structure consists of three levels: the Governors, Senior Leadership Team and Middle Leaders, (including Assessment and Curriculum Leaders). The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

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

The Senior Leadership Team is the Headteacher, the two Deputy Headteachers and the School Business Manager. These leaders control the Academy at an executive level implementing the policies laid down by the Governors and reporting back to them. As a group, the Senior Leadership Team are responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment boards for senior leader posts will contain a Governor. No spending control is devolved to Curriculum Leaders and a Senior Leader must countersign.

Arrangements for setting pay and remuneration of key management personnel

The Performance Management process takes place in the Autumn Term every academic year. The process involves a review of the targets set in the previous year, and the setting of targets for the forthcoming year. For the Deputy Headteacher, the appraisal is carried out by the Headteacher and any recommendations for increments in salary are then presented to the Pay Committee for approval.

For the Headteacher, the process is facilitated using an external consultant. Administration of these arrangements are carried out in accordance with 'School Teachers' Pay and Conditions' document (September 2020).

Related parties and other connected charities and organisations

The academy trust is a member of the Bromley Catholic Schools Umbrella Trust. The Umbrella Trust is formed of the eight Catholic primary schools in Bromley.

Objectives and activities

Objects and aims

St Philomena's Catholic Primary School is a mixed primary school. The pupils at the school are encouraged to be ambitious and achieve to their highest ability, whilst retaining a sense of who they are and what values are important in our society. We foster a genuine sense of respect for the individual alongside an appreciation of the culture and beliefs of others.

The principal object of the Academy is specifically restricted to the following: to advance 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 school offering a broad and balanced curriculum being St Philomena's Catholic Primary School.

ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Objectives, strategies and activities

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

- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- to raise the standard of educational achievement of all pupils, ensuring every pupil reaches their full potential and makes the best progress that they can;
- to improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- to provide value for money for the funds expended;
- to comply with all appropriate statutory and curriculum requirements;
- to ensure teaching and learning is of the highest standard; and
- to conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

St Philomena's Catholic Primary School values diversity and seeks to give everyone in the school an equal chance to learn, work and live, free from the action, or fear, of racism, discrimination, or prejudice. By our actions we will work together to develop the potential of all pupils academically, socially, culturally and psychologically and to establish a community that is just and fair for all people who work at or visit St Philomena's Catholic Primary School.

Pupils will be happy and healthy, enthused by the intellectual, social and physical challenges posed by their experience at school. They will be independent learners, aware of how to learn and of the role of emotions and dispositions in the learning process, which they draw on to address challenge and difficulty, as well as success.

All staff will have the opportunity to develop further as self-directed, reflective learners, through working collaboratively with others to enhance their own expertise. Through their passion, teachers will enthuse and inspire others to explore new ideas.

Parents will fulfil their roles as true partners, recognising their role in the pupil- school - parent partnership to ensure that their child realises his/her potential.

Governors will contribute to the life of the school on a wider scale, acting as critical friends to support the school in becoming a nationally recognised centre of excellence.

Public benefit

The Governors have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties which is met by having a published admissions criteria.

Full details of the academies admissions details can be found on its website at <http://www.st-philomenas.bromley.sch.uk> .

Strategic report

Achievements and performance

- No formal assessments took place at the end of 2019/2020 as the school was closed due to COVID-19 lockdown.
- Our Section 48 Inspection (2015) judged St Philomena's to be a 'good school with many outstanding features'.
- In our Section 5 Ofsted Inspection (September 2017) the school was judged to be 'Good'.
- Current assessments and data indicate that SEN and EAL make very good progress across the school.
- Partner schools are sharing ideas, expertise, training and resources as appropriate.

Overall St Philomena's Catholic Primary School is an inclusive school and has made good progress in identifying and closing the gaps for vulnerable pupils and groups of pupils. Indicative figures demonstrate that progress from KS1 to the end of KS2 is well above the NA.

ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Key performance indicators

The main KPI is the Ofsted Framework for Inspection

Inspectors must judge the quality of education provided in the school. This is the overarching judgement.

In order to make a judgement about the quality of education provided in the school, inspectors must first make four key judgements.

These are:

- the quality of education
- behaviour and attitudes
- personal development
- leadership and management

Findings in the above areas will contribute to an overall judgement of 'Overall Effectiveness'.

Going concern

After making appropriate enquiries, the Board of Governors has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason the Board of Governors continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

Financial review

Most of the Academy's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, some of which are restricted to particular purposes. The grants received from the ESFA during the period ended 31 August 2020 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the ESFA. 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 the assets concerned.

During the period ended 31 August 2020 total expenditure of £1,245k (2019: £1,712k) was met by recurrent grant funding from the ESFA together with other incoming resources. The excess of expenditure over income for the period (excluding restricted fixed asset funds and transfers to restricted fixed asset funds) was £111k (2019: £533k).

At 31 August 2020 the net book value of fixed assets was £9K (2019: £22k). Movements in tangible fixed assets are shown in note 12 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The London Borough of Bromley Pension Fund, in which the Academy participates, showed a deficit of £476k (2019:£416k) at 31 August 2020. Of this sum, £159k was inherited by the academy trust from London Borough of Bromley on 1 October 2014, the date the local authority's staff transferred to employment with the Academy.

Reserves policy

The Governors review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Governors have determined that the appropriate level of unrestricted reserves should be equivalent to four weeks' expenditure, approximately £100k (2018:£100k).

The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The academy's current level of unrestricted reserves is £182k (2019:£178k). The Governors expect to utilise the additional reserves in the coming periods.

ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Investment policy

Under the Memorandum and Articles of Association, the academy has the power to invest funds not immediately required for its own purposes, in any way the Governors see fit. The organisation has a positive cash balance to cover eventualities and unforeseen expenses. The banking facilities are reviewed on a regular basis.

Financial Position

The Academy held fund balances at 31 August 2020 of £275k deficit (2019: £208k deficit) comprising £(457k) (2019: £(387k)) of restricted funds and £182k (2019: £178k) of unrestricted general funds. Of the restricted funds, £9k (2019: £22k) is represented by tangible fixed assets.

The Pension reserve which is considered part of restricted funds was £476k (2019: £416k) in deficit.

Principal risks and uncertainties

Principal risks to the academy include :-

Risk Existing Controls to Manage

Failure to ensure that financial systems are secure Security systems operated by the Academy

Off-site back up and storage and systems in place to recover data

- Achievement regularly monitored and additional support provided where necessary. Strategies in place to constantly improve the quality of teaching and learning. Individual targets generated through the performance management process. Termly reviews by our Umbrella Trust consultant.
- Experienced SLT and active GB. All staff take an active role in the operation of the school. Effective School Improvement Plan.

We have a Risk Register in place. Mitigating risks are discussed regularly at governing body meetings and the plan is updated on an annual basis.

The Governors have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances. The Governors have implemented a number of systems to assess risks that the Academy faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. The Governors are introducing enhanced risk management systems, including operational procedures internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail in the Governance Statement on page 8.

The Academy now has in place, measures and controls to limit the risk should we be exposed to a pandemic such as COVID-19 and to assist the school in continuing to operate.

These include :-

- Additional health & safety measures to ensure the well-being of all staff and children
- Systems for remote curriculum provision should children be unable to attend school due to either self-isolation or school closure
- Ability to access financial and data systems remotely
- Systems for remote communication with parents to provide information and support, particularly for our vulnerable families.

The principal risks and uncertainties that the Academy faces are mitigated by the risk management process that the academy trust has in place.

Financial and risk management objectives and policies

The main financial risks which the academy trust is exposed, taking account of the mitigations in place, relate the risk of an income shortfall due to the likelihood of further government spending reductions affecting our general grant. A risk arises in relation to the defined benefit pension scheme, due to the fact that there is a deficit of £476k (2019: £416k).

ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Plans for future periods

The Academy will continue striving to improve the levels of performance of its pupils at all levels.

The school has a good understanding of its strengths and areas for development based on rigorous analysis of data and monitoring of teaching and learning. The school also makes good use of external validation to secure its judgement on the quality of provision and subsequent outcomes. The School Improvement Plan has all the correct areas identified for improvement and is based on regular analysis of data which is meticulously analysed by the headteacher and the assessment leader, supported by the senior leadership team. The SIP is regularly monitored and amended annually by the SLT and governors. It is underpinned by appropriate budget links.

School Improvement strategies are having extensive impact as the emphasis is sharply focused on Teaching and Learning and on pupil progress. The success of these is reflected in judgements of external reviews and a very strong dataset. These are being addressed through rigorous monitoring, high-quality CPD and through analysis of test and Teacher Assessment data on a half termly basis. The school makes good provision for personalised learning and intervention programmes and has developed a rich, creative curriculum which includes and stretches pupils across the ability range.

Auditor

On 7 September 2020 Group Audit Service Limited trading as Wilkins Kennedy Audit Services changed its name to Azets Audit Services Limited. The name they practice under is Azets Audit Services and accordingly they have signed their report in their new name.

In so far as the Governors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Governors 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 governors' report, incorporating a strategic report, was approved by order of the Board of Governors, as the company directors, on 31/12/20 and signed on its behalf by:



M Fairhall

Chair of Governors

ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2020

Scope of responsibility

As Governors we acknowledge we have overall responsibility for ensuring that St Philomena's 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.

The Board of Governors 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 St Philomena's Catholic Primary School and the Secretary of State for Education. They are also responsible for reporting to the Board of Governors any material weaknesses or breakdowns in internal control.

Governance

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

Governors	Meetings attended	Out of possible
A Arole	6	6
M Fairhall (Chair of Governors)	6	6
H Knott (Resigned 16 March 2020)	4	4
V Maher (Accounting officer)	6	6
P O'Halloran (Chair of Resources)	5	6
Reverend C Okafor	4	6
C Pierce	5	6
S Said	3	6
S Tokoro	5	6
R Williams	6	6
J Winter	6	6
J Weatherall	6	6

ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Membership of the governing body has been very stable for the last four years.

Governors devise an action plan at the beginning of each academic year. Targets on this action plan are directly linked to the priorities within the School Development Plan and, as a result, governor monitoring visits and agendas of meetings are formulated to ensure a comprehensive overview of school improvement is achieved.

Progress towards achieving the targets on the action plan is then reviewed and rag-rated at the end of the year. There are usually six full governing body meetings every year, the Audit and Resources Committee meets termly and other ad-hoc committees (Admission/Pay) convene when necessary.

All reports and data provided by the leadership team and Finance Officer are of very good quality and furnish the governing body with the information required to fulfil their statutory duties and maintain effective oversight of funds.

The Audit and Resources Committee is a sub-committee of the main governing body. Its purpose is to monitor and agree financial, audit and personnel issues. To put forward proposals to the full Governing Body based on information from the Finance Officer and Headteacher. The Committee also review the reports produced by the Internal Auditor and ensure all issues raised are addressed.

There are also sub-committees covering: Premises; Health and Safety; Standards, Admissions; Personnel and Pupil Discipline. These committees report to the Resources Committee matters which may affect the financial governance of the academy

Attendance at the Resources Committee meetings in the year was as follows: M Fairhall, V Maher, R Williams, G parry & S Harris are not members of the committee but were in attendance.

Governors	Meetings attended	Out of possible
A Arole	1	3
M Fairhall (Chair of Governors)	3	3
V Maher (Accounting officer)	3	3
P O'Halloran (Chair of Resources)	3	3
C Pierce	2	3
R Williams	3	3

Review of value for money

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

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

- Allocating resources to best promote the aims and values of the school;
- Targeting resources to best improve standards and quality of education;
- The use of resources to best support the various educational needs of all pupils.

ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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 trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in St Philomena's Catholic Primary School for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The Board of Governors has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of governors is of the view that there is a ongoing process for identifying, evaluating and managing the academy trust's significant risks and polices that has been in place for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and accounts. This process are regularly reviewed by the Board of Governors.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Governors;
- regular reviews by the Resources 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 Governing Body has considered the need for a specific internal audit function and has appointed Baxter & Co to complete the internal audit function. Baxter & Co's role includes giving advice on financial systems and performing a range of checks on the academy trust's financial systems

In particular the checks carried out in the current period include:

- Testing of payroll systems
- Testing of control account/ bank reconciliation
- Review of policies and procedures and adherence thereon
- Testing of income and purchases

Baxter & Co reports to the school on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

The internal auditor has delivered their schedule of work as planned.

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 auditor
- the financial management process

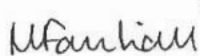
ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

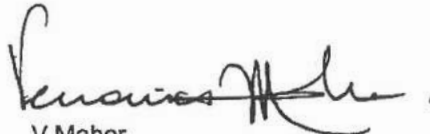
FOR THE YEAR ENDED 31 AUGUST 2020

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

Approved by order of the Board of Governors on 8/8/20 and signed on its behalf by:



M Fairhall
Chair of Governors



V Maher
Accounting officer

ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

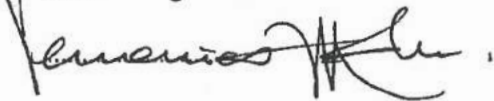
FOR THE YEAR ENDED 31 AUGUST 2020

As accounting officer of St Philomena's Catholic Primary School, I have considered my responsibility to notify the academy trust Board of Governors 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 trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the academy trust's Board of Governors are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2019.

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

V Maher
Accounting Officer



ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2020

The governors (who act as trustees for St Philomena's Catholic Primary School and are also the directors of St Philomena's Catholic Primary School for the purposes of company law) are responsible for preparing the governors' report and the accounts in accordance with the Academies Accounts Direction 2019 to 2020 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 governors to prepare accounts for each financial year. Under company law, the governors must not approve the accounts 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 accounts, the governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The governors 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 accounts 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 governors 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 that grants received from ESFA/DfE have been applied for the purposes intended.

The governors 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Governors on 8/1/20 and signed on its behalf by:



M Fairhall
Chair of Governors

ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

FOR THE YEAR ENDED 31 AUGUST 2020

Opinion

We have audited the accounts of St Philomena's Catholic Primary School for the year ended 31 August 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the governors' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the governors' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the governors' report, including the incorporated 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 accounts are not in agreement with the accounting records and returns; or
- certain disclosures of governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of governors

As explained more fully in the statement of governors' responsibilities, the governors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the governors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the governors are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the governors either intend to liquidate the charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

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

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Use of our report

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

Azets Audit Services Limited

**for and on behalf of Azets Audit Services
Chartered Accountants
Statutory Auditor**

19 January 2021

Greytown House
221-227 High Street
Orpington
Kent
BR6 0NZ

ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2020

In accordance with the terms of our engagement letter dated 2 October 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St Philomena's Catholic Primary School during the period 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to St Philomena's 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 the St Philomena's 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 St Philomena's Catholic Primary School and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of St Philomena's Catholic Primary School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of St Philomena's Catholic Primary School's funding agreement with the Secretary of State for Education dated 30 September 2014 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by 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 trust's income and expenditure.

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion as well as additional testing based on our assessment of risk of material irregularity.

ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Conclusion

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

Azets Audit Services Limited

Reporting Accountant

Azets Audit Services
Greytown House
221-227 High Street
Orpington
Kent
BR6 0NZ

Dated: 19 January 2021

ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted funds £'000	Restricted funds: General Fixed asset £'000 £'000		Total 2020 £'000	Total 2019 £'000
Income and endowments from:						
Donations and capital grants	3	53	-	63	116	532
Charitable activities:						
- Funding for educational operations	4	-	1,049	-	1,049	1,048
Other trading activities	5	19	-	-	19	31
Total		<u>72</u>	<u>1,049</u>	<u>63</u>	<u>1,184</u>	<u>1,611</u>
Expenditure on:						
Charitable activities:						
- Educational operations	7	17	1,215	13	1,245	1,712
Total	6	<u>17</u>	<u>1,215</u>	<u>13</u>	<u>1,245</u>	<u>1,712</u>
Net income/(expenditure)		55	(166)	50	(61)	(101)
Transfers between funds	15	(59)	122	(63)	-	-
Other recognised gains/(losses)						
Actuarial losses on defined benefit pension schemes	17	-	(6)	-	(6)	(173)
Net movement in funds		<u>(4)</u>	<u>(50)</u>	<u>(13)</u>	<u>(67)</u>	<u>(274)</u>
Reconciliation of funds						
Total funds brought forward		186	(416)	22	(208)	66
Total funds carried forward		<u>182</u>	<u>(466)</u>	<u>9</u>	<u>(275)</u>	<u>(208)</u>

ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

Comparative year information Year ended 31 August 2019	Notes	Unrestricted funds £'000	Restricted funds: General	Fixed asset £'000	Total 2019 £'000
Income and endowments from:					
Donations and capital grants	3	73	11	448	532
Charitable activities:					
- Funding for educational operations	4	-	1,048	-	1,048
Other trading activities	5	31	-	-	31
Total		<u>104</u>	<u>1,059</u>	<u>448</u>	<u>1,611</u>
Expenditure on:					
Charitable activities:					
- Educational operations	7	31	1,665	16	1,712
Total	6	<u>31</u>	<u>1,665</u>	<u>16</u>	<u>1,712</u>
Net income/(expenditure)		73	(606)	432	(101)
Transfers between funds	15	(110)	540	(430)	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	17	-	(173)	-	(173)
Net movement in funds		(37)	(239)	2	(274)
Reconciliation of funds					
Total funds brought forward		223	(177)	20	66
Total funds carried forward		<u>186</u>	<u>(416)</u>	<u>22</u>	<u>(208)</u>

ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	2020 £'000	£'000	2019 £'000	£'000
Fixed assets					
Tangible assets	11		9		22
Current assets					
Debtors	12	30		205	
Cash at bank and in hand		246		333	
		<u>276</u>		<u>538</u>	
Current liabilities					
Creditors: amounts falling due within one year	13	(84)		(352)	
Net current assets			192		186
Net assets excluding pension liability			201		208
Defined benefit pension scheme liability	17		(476)		(416)
Total net liabilities			<u>(275)</u>		<u>(208)</u>
Funds of the academy trust:					
Restricted funds	15				
- Fixed asset funds			9		22
- Restricted income funds			10		-
- Pension reserve			(476)		(416)
Total restricted funds			<u>(457)</u>		<u>(394)</u>
Unrestricted income funds	15		182		186
Total funds			<u>(275)</u>		<u>(208)</u>

The accounts on pages 19 to 41 were approved by the governors and authorised for issue on 8/11/21 and are signed on their behalf by:

M Fairhall
 M Fairhall
 Chair of Governors

Company Number 09218084

ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

		2020		2019	
	Notes	£'000	£'000	£'000	£'000
Cash flows from operating activities					
Net cash used in operating activities	18		(258)		(260)
Cash flows from investing activities					
Capital grants from DfE Group		171		340	
Purchase of tangible fixed assets		-		(18)	
Net cash provided by investing activities			171		322
Net (decrease)/increase in cash and cash equivalents in the reporting period			(87)		62
Cash and cash equivalents at beginning of the year			333		271
Cash and cash equivalents at end of the year			246		333

ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

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

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical 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 2015 to 2016 issued by ESFA, the Charities Act 2011 and the Companies Act.

St Philomena's Catholic Primary School meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

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

1.3 Income

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

Grants

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

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

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

Donations

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

Other income

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

ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

Donated goods, facilities and services

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

Interest receivable

Interest receivable is included within the statement of financial activities on a receivable basis.

Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust'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 are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

This includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Charitable activities

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

ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

1.5 Tangible fixed assets and depreciation

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

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

The Academy Trust occupies land and buildings at Chelsfield Road, Orpington, BR5 4DR which are owned by the Trustees of the Church of England Archdiocese. The Academy Trust occupies the land and buildings under a licence on the same basis as when it was a maintained school. The continuing permission of the Diocesan Trustees is pursuant to and subject to the Trustees' charitable objects and is part of the Church of England commitment to provide state funded education in partnership with the state. Under the terms of an agreement between the Secretary of State and the Academy Trust the Diocesan Trustees will give the Academy Trust not less than two years' notice to terminate the occupation of the land and buildings. The Governors have concluded that the value of land and buildings occupied by the Academy Trust should not be recognised in the balance sheet as the Academy Trust does not have control of the premises.

Moreover, the Governors have decided not to account for the Academy Trust's occupancy of the land and buildings by means of a notional annual rental charge in the accounts, offset by income from a notional annual donation or gift of equivalent value from the Diocesan Trustees as owners of the freehold interest. The Governors have been unable to identify any objective method for calculating such a notional rent.

The academy has a legal arrangement for the use of the land and buildings under a church supplemental agreement. This is a rolling agreement with a minimum two years written notice period for termination, no such notice has been given at the date of signing the accounts.

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

Computer equipment	33.33%
Fixtures, fittings & equipment	20%

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

1.6 Liabilities

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

ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies (Continued)

1.7 Leased assets

Rentals payable under operating leases are charged against income on a straight-line basis over the period of the lease.

1.8 Financial instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.9 Taxation

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

1.10 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. The 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 are recognised in the period to which they relate.

ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

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

1.11 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency/Department for Education.

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 17, 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 2013 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

2 Critical accounting estimates and areas of judgement

(Continued)

Critical areas of judgement

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 10 for the carrying amount of the property plant and equipment, and note 1.5 for the useful economic lives for each class of assets.

Bad debts

Debtors are regularly reviewed for recoverability, any debts which in the opinion of management are not recoverable are provided for as a specific bad debt.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
Capital grants	-	63	63	448
Other donations	53	-	53	84
	<u>53</u>	<u>63</u>	<u>116</u>	<u>532</u>

ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

4 Funding for the academy trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
DfE / ESFA grants				
General annual grant (GAG)	-	891	891	912
Other DfE group grants	-	135	135	107
	-	1,026	1,026	1,019
Other government grants				
Local authority grants	-	20	20	29
Exceptional government funding				
Coronavirus exceptional support	-	3	3	-
Total funding	-	1,049	1,049	1,048

The academy trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "exceptional government funding". Exceptional costs associated with Covid-19 were in respect of direct additional expenses relating to additional cleaning & sanitising supplies and deep clean services as well as premises expenses to ensure Covid-19 safe & secure opening of the school during the period for Key Worker & vulnerable children as well as Year 6 & Reception.

5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
Hire of facilities	1	-	1	1
Catering income	18	-	18	28
Other income	-	-	-	2
	19	-	19	31

6 Expenditure

	Staff costs £'000	Non-pay expenditure		Total 2020 £'000	Total 2019 £'000
		Premises £'000	Other £'000		
Academy's educational operations					
- Direct costs	699	-	75	774	808
- Allocated support costs	260	113	98	471	904
	959	113	173	1,245	1,712

ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

6 Expenditure		(Continued)	
Net income/(expenditure) for the year includes:		2020	2019
		£'000	£'000
Fees payable to auditor for:			
- Audit		9	9
- Other services		1	1
Operating lease rentals		1	1
Depreciation of tangible fixed assets		13	16
Net interest on defined benefit pension liability		7	5
		<u> </u>	<u> </u>
7 Charitable activities			
	Unrestricted	Restricted	Total
	funds	funds	2020
	£'000	£'000	£'000
Direct costs			Total
Educational operations	-	774	774
Support costs			2019
Educational operations	17	454	471
	<u> </u>	<u> </u>	<u> </u>
	17	1,228	1,245
	<u> </u>	<u> </u>	<u> </u>
			2020
			£'000
Analysis of support costs			2019
Support staff costs			249
Depreciation			16
Technology costs			5
Premises costs			516
Legal costs			3
Other support costs			105
Governance costs			10
			<u> </u>
			471
			<u> </u>

ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

8 Staff

Staff costs

Staff costs during the year were:

	2020 £'000	2019 £'000
Wages and salaries	686	685
Social security costs	58	59
Pension costs	195	186
	<u>939</u>	<u>930</u>
Staff costs - employees	939	930
Agency staff costs	20	24
	<u>959</u>	<u>954</u>
Staff development and other staff costs	5	6
	<u>964</u>	<u>960</u>
Total staff expenditure	<u>964</u>	<u>960</u>

Staff numbers

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

	2020 Number	2019 Number
Teachers	12	10
Administration and support	17	17
Management	4	4
	<u>33</u>	<u>31</u>

Higher paid staff

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

	2020 Number	2019 Number
£70,000 - £80,000	<u>1</u>	<u>1</u>

Key management personnel

The key management personnel of the academy trust comprise the governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer national insurance and pension contributions) received by key management personnel for their services to the academy trust was £224k (2019: £207k).

ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

9 Governors' remuneration and expenses

The Headteacher and other staff governors only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff members under their contracts of employment, and not in respect of their services as governors. Other governors did not receive any payments from the academy trust in respect of their role as governors.

The value of governors' remuneration and other benefits was as follows:

V Maher (Headteacher):

- Remuneration £75,001 - £80,000 (2019: £75,001 - £80,000)
- Employer's pension contributions £10,001 - £15,000 (2019: £10,001 - £15,000)

R Williams:

- Remuneration £25,001 - £30,000 (2019: £25,001 - £30,000)
- Employer's pension contributions £5,001 - £10,000 (2019: £5,001 - £10,000)

J Weatherall:

- Remuneration £10,001 - £15,000 (2019: £10,001 - £15,000)
- Employer's pension contributions £1 - £5,000 (2019: £1 - £5,000)

The other staff Governors listed above only received remuneration for their role as a member of staff and the salaries have been aggregated as the Governors believe any further detailed breakdown would be prejudicial to the structure of the Governing Board.

During the year, there were no expenses payments reimbursed to governors.

Other related party transactions involving the governors are set out within the related parties note.

10 Insurance for governors and officers

In accordance with normal commercial practice, the academy trust has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2020 was £1k (2018: £1k).

ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

11 Tangible fixed assets	Computer equipment £'000	Fixtures, fittings & equipment £'000	Total £'000
Cost			
At 1 September 2019 and 31 August 2020	52	5	57
Depreciation			
At 1 September 2019	30	5	35
Charge for the year	13	-	13
At 31 August 2020	43	5	48
Net book value			
At 31 August 2020	9	-	9
At 31 August 2019	22	-	22
12 Debtors		2020 £'000	2019 £'000
Trade debtors		3	4
VAT recoverable		2	71
Prepayments and accrued income		25	130
		30	205
13 Creditors: amounts falling due within one year		2020 £'000	2019 £'000
Trade creditors		7	256
Other taxation and social security		15	15
Other creditors		17	15
Accruals and deferred income		45	66
		84	352
14 Deferred income		2020 £'000	2019 £'000
Deferred income is included within:			
Creditors due within one year		17	21

ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

14	Deferred income	(Continued)	
	Deferred income at 1 September 2019	21	22
	Released from previous years	(21)	(22)
	Resources deferred in the year	17	21
		<u>17</u>	<u>21</u>
	Deferred income at 31 August 2020	<u>17</u>	<u>21</u>

At the balance sheet date, the Academy was holding funds received in advance for free school meals.

15	Funds	Balance at 1 September 2019 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2020 £'000
	Restricted general funds					
	General Annual Grant (GAG)	-	891	(1,013)	122	-
	Other DfE / ESFA grants	-	138	(128)	-	10
	Other government grants	-	20	(20)	-	-
	Pension reserve	(416)	-	(54)	(6)	(476)
		<u>(416)</u>	<u>1,049</u>	<u>(1,215)</u>	<u>116</u>	<u>(466)</u>
	Restricted fixed asset funds					
	DfE group capital grants	-	63	-	(63)	-
	General fixed assets	22	-	(13)	-	9
		<u>22</u>	<u>63</u>	<u>(13)</u>	<u>(63)</u>	<u>9</u>
	Total restricted funds	<u>(394)</u>	<u>1,112</u>	<u>(1,228)</u>	<u>53</u>	<u>(457)</u>
	Unrestricted funds					
	General funds	186	72	(17)	(59)	182
		<u>186</u>	<u>72</u>	<u>(17)</u>	<u>(59)</u>	<u>182</u>
	Total funds	<u>(208)</u>	<u>1,184</u>	<u>(1,245)</u>	<u>(6)</u>	<u>(275)</u>

ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

15 Funds

(Continued)

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

General Annual Grant: Income received from the ESFA to cover the normal running costs of the Academy.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2020.

Other DfE/ESFA grants: This includes the pupil premium, fairer funding, rates grant, universal infant free school meals, sports funding, Teachers Pay Grant and Pension Grant.

Other government grants: other grants: This includes SEN funding, matrix funding and sports funding received from the Local Authority.

DfE / ESFA capital grants: This includes Devolved Formula Capital and Condition Improvement Fund grants.

Other restricted funds: This includes restricted donations.

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

	Balance at 1 September 2018 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2019 £'000
Restricted general funds					
General Annual Grant (GAG)	-	912	(1,452)	540	-
Other DfE / ESFA grants	-	107	(107)	-	-
Other government grants	-	29	(29)	-	-
Other restricted funds	-	11	(11)	-	-
Pension reserve	(177)	-	(66)	(173)	(416)
	<u>(177)</u>	<u>1,059</u>	<u>(1,665)</u>	<u>367</u>	<u>(416)</u>
Restricted fixed asset funds					
DfE group capital grants	-	448	-	(448)	-
General fixed assets	20	-	(16)	18	22
	<u>20</u>	<u>448</u>	<u>(16)</u>	<u>(430)</u>	<u>22</u>
Total restricted funds	<u>(157)</u>	<u>1,507</u>	<u>(1,681)</u>	<u>(63)</u>	<u>(394)</u>
Unrestricted funds					
General funds	<u>223</u>	<u>104</u>	<u>(31)</u>	<u>(110)</u>	<u>186</u>
Total funds	<u>66</u>	<u>1,611</u>	<u>(1,712)</u>	<u>(173)</u>	<u>(208)</u>

ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

16 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General Fixed asset £'000 £'000		Total Funds £'000
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	-	-	9	9
Current assets	182	94	-	276
Creditors falling due within one year	-	(84)	-	(84)
Defined benefit pension liability	-	(476)	-	(476)
Total net assets	182	(466)	9	(275)
Fund balances at 31 August 2019 are represented by:				
Tangible fixed assets	-	-	22	22
Current assets	186	352	-	538
Creditors falling due within one year	-	(352)	-	(352)
Defined benefit pension liability	-	(416)	-	(416)
Total net assets	186	(416)	22	(208)

17 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and that of the LGPS related to the period ended 31 March 2019.

Contributions amounting to £16k (2019: £15k) were payable to the schemes at 31 August 2020 and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

17 Pension and similar obligations

(Continued)

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge)
- 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. The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

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

The employer's pension costs paid to the TPS in the period amounted to £58k (2019: £58K).

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

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 22.5% for employers and 5.5 to 12.5% for employees. The estimated value of employer contributions for the forthcoming year is £62k.

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.

Total contributions made	2020 £'000	2019 £'000
Employer's contributions	62	67
Employees' contributions	15	16
Total contributions	<u>77</u>	<u>83</u>

ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

17 Pension and similar obligations (Continued)

Principal actuarial assumptions	2020 %	2019 %
Rate of increase in salaries	3.9	3.6
Rate of increase for pensions in payment/inflation	2.5	2.2
Discount rate for scheme liabilities	1.8	1.8
Inflation assumption (CPI)	2.4	2.1
	<u> </u>	<u> </u>

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

	2020 Years	2019 Years
Retiring today		
- Males	22.8	23.5
- Females	25.2	26.2
Retiring in 20 years		
- Males	24.7	26.2
- Females	27.2	28.5
	<u> </u>	<u> </u>

Scheme liabilities would have been affected by changes in assumptions as follows:

	2020 £'000	2019 £'000
Discount rate + 0.1%	(29)	(23)
Mortality assumption + 1 year	40	20
CPI rate + 0.1%	29	23
	<u> </u>	<u> </u>

Defined benefit pension scheme net liability

Scheme assets	940	756
Scheme obligations	(1,416)	(1,172)
	<u> </u>	<u> </u>
Net liability	(476)	(416)
	<u> </u>	<u> </u>

ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

17 Pension and similar obligations

(Continued)

The academy trust's share of the assets in the scheme

	2020 Fair value £'000	2019 Fair value £'000
Equities	616	478
Other bonds	59	47
Cash	8	9
Government bonds	65	49
Property	36	32
Other assets	156	141
	<u>940</u>	<u>756</u>

The actual return on scheme assets was £112,000 (2019: £51,000).

Amount recognised in the Statement of Financial Activities

	2020 £'000	2019 £'000
Current service cost	106	92
Past service cost	3	36
Interest income	(14)	(19)
Interest cost	21	24
	<u>116</u>	<u>133</u>

Changes in the present value of defined benefit obligations

	2020 £'000	2019 £'000
At 1 September 2019	1,172	856
Current service cost	106	92
Interest cost	21	24
Employee contributions	15	16
Actuarial loss	104	205
Benefits paid	(5)	(57)
Past service cost	3	36
	<u>1,416</u>	<u>1,172</u>
At 31 August 2020	<u>1,416</u>	<u>1,172</u>

ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

17	Pension and similar obligations	(Continued)		
	Changes in the fair value of the academy trust's share of scheme assets	2020	2019	
		£'000	£'000	
	At 1 September 2019	756	679	
	Interest income	14	19	
	Actuarial gain	98	32	
	Employer contributions	62	67	
	Employee contributions	15	16	
	Benefits paid	(5)	(57)	
		<u> </u>	<u> </u>	
	At 31 August 2020	<u>940</u>	<u>756</u>	
18	Reconciliation of net expenditure to net cash flow from operating activities	2020	2019	
		£'000	£'000	
	Net expenditure for the reporting period (as per the statement of financial activities)	(61)	(101)	
	Adjusted for:			
	Capital grants from DfE and other capital income	(63)	(448)	
	Defined benefit pension costs less contributions payable	47	61	
	Defined benefit pension scheme finance cost	7	5	
	Depreciation of tangible fixed assets	13	16	
	Decrease/(increase) in debtors	67	(63)	
	(Decrease)/increase in creditors	(268)	270	
		<u> </u>	<u> </u>	
	Net cash used in operating activities	<u>(258)</u>	<u>(260)</u>	
19	Analysis of changes in net funds	1 September	Cash flows	31 August
		2019		2020
		£'000	£'000	£'000
	Cash	<u>333</u>	<u>(87)</u>	<u>246</u>

ST PHILOMENA'S CATHOLIC PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

20 Contingent liabilities

During the period of the Funding Agreement, in the event of the sale or disposal by other means of any asset for which a Government capital grant was received, the Academy is required either to re-invest the proceeds or to repay to the Education Funding Agency the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Academy serving notice, the Academy shall repay to the Secretary of State sums determined by reference to:

- the value at that time of the Academy's site and premises and other assets held for the purpose of the Academy; and
- the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

21 Commitments under operating leases

At 31 August 2020 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2020 £'000	2019 £'000
Amounts due within one year	1	1
Amounts due in two and five years	1	1
	<u>2</u>	<u>2</u>

22 Related party transactions

Owing to the nature of the Academy's operations and the composition of the Board of Governors being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Board of Governors may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

No related party transactions took place in the period of account.

23 Members' liability

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