

Company Registration No. 07976516 (England and Wales)

**ST. JAMES' R.C. PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT AND AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2020**

ST. JAMES' R.C. PRIMARY SCHOOL

CONTENTS

| | Page |
|---|-------------|
| Reference and administrative details | 1 |
| Trustees' report | 2 - 9 |
| Governance statement | 10 - 12 |
| Statement on regularity, propriety and compliance | 13 |
| Statement of Trustees' responsibilities | 14 |
| Independent auditor's report on the accounts | 15 - 17 |
| Independent reporting accountant's report on regularity | 18 - 19 |
| Statement of financial activities | 20 - 21 |
| Balance sheet | 22 |
| Cash flow statement | 23 |
| Notes to the accounts | 24 - 42 |

ST. JAMES' R.C. PRIMARY SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

D Camilleri (Vice Chair & Foundation Governor)
M Edwards (Local Governor)
P Gribben (Foundation Governor)
A Garlick (Staff Governor) *
M Hutchinson (Chair & Foundation Governor) *
R Jasper (Staff Governor, resigned 01.09.19)*(resigned.27.06.19)
L Weeks (Head Teacher & Accounting Officer)*
K Chan (Foundation Governor)*
M Connell (Foundation Governor)
C Victoria Nijjar (Parent Governor)
C Hutchins (Foundation Governor)*
M Wilson (Staff Governor)
C Hardiman (Parent Governor, appointed 02.10.19)

*Members of the Resources and Audit Committee

Members M Dickens, M Hutchinson P McCallum

Responsible Officer M Hutchins

Senior management team

| | |
|-----------------------------|------------|
| - Head Teacher | L Weeks |
| - SENCO, Maths, KS1, | J Richards |
| - Deputy Head, RE, EG&T,KS2 | M Wilson |
| - PE and English | C Connolly |
| - Music, IT, MFL | E Atkinson |

Company registration number 07976516 (England and Wales)

Registered office

Maybury Close
Petts Wood
Orpington
Kent
BR5 1BL

Independent auditor

Baxter & Co
Lynwood House
Crofton Road
Orpington
Kent
BR6 8QE

Bankers

Lloyds Bank PLC
6-8 Market Square
Bromley
Kent
BR1 1NA

Solicitors

Winckworth Sherwood
Minerva House
5 Montague Close
London
SE1 9BB

ST. JAMES' R.C. PRIMARY SCHOOL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

The trustees present their annual report together with the financial statements and independent auditor's reports of the charitable company for the year ended 31 August 2020. The annual report serves the purposes of both a Trustees' Report, and a Directors' Report under company law.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006, the Statement of Recommended Practice 2015, "Accounting and Reporting by Charities", and the Academies' Accounts Direction 2019/20 issued by the ESFA.

The principal activity of the company is the operation of a state-funded Academy, St. James' R.C Primary School, providing a state education for students aged 4 to 11. It has a pupil capacity of 218 and had a roll of 220 in the school census in October 2019.

There is a long tradition of providing the highest quality of education that will meet the needs of every child and enable them to achieve their personal best.

Funding is obtained from the Department for Education (DfE) through the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes.

Structure, Governance & Management Constitution

Constitution

The Trustees of St. James' R.C. Primary School, an Academy Trust, are also the directors of the charitable company for the purposes of company law and they are governors of the Academy

The academy trust was incorporated as a company on 31st of March, 2012 and the predecessor school converted to academy status on 1st of April, 2012.

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 charitable company is known as St. James' R.C. Primary School, an Academy Trust.

Details of the trustees who served during the year are included in the Reference and Administrative Details included at the front of these accounts.

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 or within one year they ceased to be a member.

Trustees' Indemnities

The academy trust has not provided any indemnities to any third parties on behalf of any trustees during the year.

Method of Recruitment and Appointment or Election of Trustees

In accordance with the articles, the trustees of the charitable company are the governors. They are appointed as follows:

- The Archbishop shall appoint eight foundation governors one of whom shall be the Parish Priest and two of whom at least shall be eligible for election and appointment as Parent Governors.
- The Governing body may appoint staff governors through a process as they may determine
- The Governing Body may appoint one Local governor
- The Head Teacher shall be treated for all purposes as being an ex officio Governor.

In respect of those appointed by the governors, when a vacancy arises, the governors seek to make an appointment that would maximise the relevant skills and experience on the board as a whole.

ST. JAMES' R.C. PRIMARY SCHOOL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new governors will depend on their existing experience. Where necessary, induction will provide training in charity, educational, legal and financial matters.

All governors are provided with the information needed (including policies, minutes, budgets, etc) to undertake their role as governors. In addition to purchasing bespoke Governor Training from various providers, we also subscribe to Governor Courses provided by the Diocese of Southwark.

Organisational Structure

The board of governors, the majority of whom are non-executive, comprises those persons appointed under the Articles of Association. The board meets at least three times a year and has two committees:

- Resources & Audit Committee.
- Children & Learning Committee.
- Sub-committees are created ad-hoc when necessary, in addition to those reporting into the above. (i.e. Pay / Premises / Admissions / Disciplinary / Appeals / Head Teacher's Performance).

Both committees are formally constituted with terms of reference and comprise appropriately qualified and experienced members.

Governors delegate specific responsibilities to its committees, the activities of which are reported to and discussed at full Governing Body Meetings.

Day to day management of the company is undertaken by the Head Teacher, supported by the Leadership Team. The Head Teacher is the Accounting Officer and the Business Manager is the Finance Officer.

Arrangements for setting pay and remuneration of key management personnel

The senior management team (SMT) are the key management personnel of the trust. Trustees are also senior management although they receive no pay or other remuneration in respect of their role as trustees. Where staff trustees are in place, they receive remuneration for their role as staff and their pay is determined in the same way as applicable to all other staff. Further details of remuneration paid to staff who are trustees is set out within the notes to the accounts.

The pay of the Principal is set annually by the Pay Committee, having regards to performance against objectives set the previous year. Pay of other SMT members is also set by the Pay Committee again having regard to performance against previously agreed objectives and any recommendations made by the Principal.

Trade Union Facility Time

Relevant union officials

| Number of employees who were relevant union officials during the relevant period | Full-time equivalent employee number |
|--|--------------------------------------|
| 0 | 0 |

Percentage of time spent on facility time

| Percentage of time | Number of Employees |
|--------------------|---------------------|
| 0% | 0 |
| 1% - 50% | 0 |
| 51% - 99% | 0 |
| 100% | 0 |

ST. JAMES' R.C. PRIMARY SCHOOL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

Percentage of pay bill spent on facility time

| | |
|---|-------|
| Total Cost of facility time | £0 |
| Total Pay bill | £893k |
| Percentage of the total pay bill spent on facility time | 0% |

Paid trade union activities

| | |
|--|----|
| Time spent on paid trade union activities as a percentage of total paid facility time hours. | 0% |
|--|----|

Connected Charities and Organisations including Related Party Relationships

The Register of Business Interests confirms that there are no relationships with related parties and any other charities/organisations with which the academy co-operates in the pursuit of charitable activities.

Objective and Aims

The main object of the company is the advancement of education in the United Kingdom.

It achieves this object principally through the operation of St. James' R.C. Primary School, the aim being to provide the highest possible standard of education and pastoral care, maximising the life-chances of its students.

Mission Statement

At St. James' R.C. Primary School we:

- Actively demonstrate the Christian values that are shared by all.
- Maintain a safe, welcoming environment which fosters independence and resilience
- Promote positive relationships and respect for self and others
- Inspire children to be excited by learning.
- Enable everyone to reach their full potential and embrace the future.

WE BELIEVE IN YOU, AND YOUR ABILITY TO SUCCEED

Reports, Policies & Websites

St. James' OFSTED Report

- <http://www.ofsted.gov.uk/inspection-reports/find-inspection-report/provider/ELS/101656>:

St. James' School Results

Department of Education results prior to Academy conversion:

- <http://www.education.gov.uk/cgi-bin/schools/performance/school.pl?urn=137958>

Department of Education results after Academy conversion:

- <http://www.education.gov.uk/cgi-bin/schools/performance/school.pl?urn=137958>

St. James' Policies

- <http://www.stjamesprimarypettswood.co.uk/information/policies>

St. James' School Websites

- <http://www.stjamesprimarypettswood.co.uk>

ST. JAMES' R.C. PRIMARY SCHOOL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

Objectives, Strategies and Activities

St James' is an Outstanding School and Leaders ensure that it continues to build upon excellence.

- To assess and track progress and attainment across the curriculum, including subjects that are not Maths or English.
- To raise standards in Writing at Greater Depth.
- To raise standards in Reading at Greater Depth.
- To enhance opportunities for adoration of the Blessed Sacrament and develop links with other Christian faiths.

In setting the objectives and planning the associated activities, governors have given careful consideration to the Charity Commission's general guidance on public benefit.

Strategic Report

Achievements and Performance

Due to the Coronavirus there was no formal assessment in 2019/2020 and therefore data is from 2018/2019

St James' again achieved an outstanding performance, well above the national thresholds for the SATs taken this year both in attainment and progress.

St James' RC School – Headline Results 2018/19

| Early Years Foundation Stage Profile | School | LA 2018 | NA 2017 |
|---|--------|---------|---------|
| Communication and Language (All 3 ELGs) | | 86.7% | 85% |
| Physical Development (both ELGs) | | 89.8% | 90% |
| Personal, Social and Emotional Development (All 3 ELGs) | | 88.2% | 88% |
| Literacy (Both ELGs) | | 79.3% | 73% |
| Maths (Both ELGs) | | 83.8% | 79% |
| Understanding the World (All 3 ELGs) | | 88.3 % | 86% |
| Expressive Arts & Design (Both ELGs) | | 91.0% | 88% |
| A Good Level of Development | 86% | 78% | 71% |

| Year 1 Phonic Check | School | LA 2017 | NA 2019 |
|-------------------------------|--------|---------|---------|
| Working at the required level | 93% | 88% | 82 % |

| Year 2 Phonic Check | School | LA 2017 | NA 2018 |
|-------------------------------|--------|---------|---------|
| Working at the required level | NA | 94% | 92% |

| Key Stage 1 | School | LA 2018 | NA 2019 |
|---|--------|---------|---------|
| Reading Expected Standard | 89% | 80.5% | 75% |
| Reading Greater Depth | 59% | 33.3% | 25% |
| Writing Expected Standard | 89% | 75.60% | 69% |
| Writing Greater Depth | 36% | 23.1% | 15% |
| Maths Expected Standard | 89% | 80.4% | 76% |
| Maths Greater Depth | 36% | 27.9% | 22% |
| Reading/Writing/Maths Expected Standard | 89% | | 64% |
| Reading/Writing/Maths Greater Depth | 23% | | 11% |
| Science Expected Standard | 89% | 86.3% | 82% |

ST. JAMES' R.C. PRIMARY SCHOOL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

| Key Stage 2 | School | LA 2019 | NA 2019 |
|--|--------|---------|---------|
| Reading Test % at Expected Standard | 97% | 81.5% | 73% |
| Reading Test % at Greater Depth | 55% | 36.5% | 27% |
| Writing Teacher Assessment Expected Standard | 97% | 86.7% | 78% |
| Writing Teacher Assessment Greater Depth | 55% | 29.3% | 20% |
| Maths Test % at Expected Standard | 94% | 82.3% | 79% |
| Maths Test % at Greater Depth | 68% | 32.2% | 27% |
| GPS Test % at Expected Standard | 97% | 82.6% | 78% |
| GPS Test % at Greater Depth | 81% | 42.7% | 36% |
| Reading/Writing/Maths Expected Standard | 94% | 73.9% | 65% |
| Reading/Writing/Maths Greater Depth | 39% | 17% | 11% |
| Science Teacher Assessment Expected Standard | 96% | 88.6% | 83% |

| KS2 Average Scaled Score | School | LA | NA |
|--------------------------|--------|-------|-------|
| Reading | 110.1 | 106.3 | 104.4 |
| Writing | | | |
| Maths | 110.4 | 106.9 | 105.0 |
| GPS | 114.0 | | 106.0 |

| Progress Score | School | NA |
|--------------------------------|--------|---------|
| Reading Progress (Value Added) | 2.06 | Average |
| Writing Progress (Value Added) | 2.24 | Above |
| Maths Progress (Value Added) | 2.16 | Above |

Our sports development is continuing to thrive and we are taking part in more competitions with successful results. We are offering even more sporting opportunities for children with a wide variety of interests. However our sporting ethos thrives on the principal that sporting opportunities exist for all our children irrespective of ability.

We continue to develop and deepen our relationship with the other Catholic Primary Schools of the Umbrella Trust and are moderating with them to ensure that standards are comparable and the Umbrella Trust continues to take advantage of efficiencies in procurement.

Key Financial Performance Indicators

To monitor the financial performance of the Academy the Governor's use key financial indicators.

- The Current Ratio is a financial ratio that measures whether or not a company has enough resources to pay its debts over the next 12 months. It compares a company's current assets to its current liabilities and we believe is an appropriate measure of the financial health of the Academy.
- Our Current Assets exceed our Current Liabilities by a ratio **3.49 to 1** which is an indication of the strength of the liquidity position of the Academy. Going forward we would like this ratio to remain in the range 2.0/3.0.
- The most effective Cost Control Measure we monitor is Total Staff Costs as a percentage of Total Grant Income. Total Grant Income includes GAG, SEN Matrix Funding and Pupil Premium.
- The current figure is **90.3%** variance level of 77.5% - 82.5%

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 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.

ST. JAMES' R.C. PRIMARY SCHOOL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

Financial review

We receive our income from a number of different sources. The majority of our income comes from central government via the Education and Skills Funding Agency who provide us with grant, based largely on our student numbers to cover our staffing and other general running costs (General Annual Grant - GAG). The ESFA may provide us with additional grants which are earmarked for specific purposes (such as Pupil Premium which must be used to raise the attainment of disadvantaged pupils). These appear in the accounts as DfE/ESFA grants. Where we receive grant or other funding from the Local Authority (such as where we undertake responsibilities on their behalf in respect of our students) this appears in the accounts as Other government grants. Such income is collectively referred to as "Restricted Funds". Other income is received from parents (for example as contributions to trip or other costs) and from third parties (for example from our bank for interest on our account balances or from others who are charged for their use of our facilities). Such other income may be restricted or unrestricted, depending on whether it comes to us with conditions as to its use or whether it is available for spending at the discretion of the trustees.

We hold funds in two broad categories, funds which are available for spending and other funds which are not available for spending.

Spendable funds are in turn sub-categorised between those which are available for spending at the discretion of trustees ("Unrestricted Funds") and those which are subject to condition or restriction, ("Restricted Funds").

Funds not available for spending include the book value of fixed assets such as land, buildings and equipment. These have a value and are therefore included as assets in the accounts but clearly, we cannot spend this value. In common with all academies and Local Authorities, our share of the Local Government Pension Scheme deficit must also be reflected in our accounts and as this is not a conventional liability, it does not need to be deducted from spendable funds. We meet our obligations in respect of the LGPS by paying over pension contributions due as calculated by the scheme's actuaries.

The following balances held were held at 31 August:

| Fund | Category | 2020 £'000 | 2019 £'000 |
|--------------------------------|---|---------------|---------------|
| GAG | Restricted General Funds | 15 | 29 |
| Other DfE/ESFA Grants | Restricted General Funds | 3 | 5 |
| Other Government Grants | Restricted General Funds | 3 | - |
| Other Income | Restricted General Funds | 71 | 66 |
| | Sub-total General Restricted Funds | 92 | 100 |
| Unspent Capital Grants | Restricted Fixed Asset Fund | 32 | 842 |
| Other Income | Unrestricted General Fund | 93 | 85 |
| | Sub-Total Spendable Funds | 217 | 1,027 |
| Net Book Value of Fixed Assets | Restricted Fixed Asset Fund | 6 | 9 |
| Share of LGPS Deficit | Restricted Pension Reserve | (373) | (342) |
| | Total All Funds | (150) | 694 |

During the year under review, there was a reduction of £8k (2019: £79k) on general restricted funds, an increase of £8k (2019: £44k) on unrestricted funds and after LGPS valuation adjustments, depreciation and capital income and expenditure, an overall decrease of £844k (2019: increase of £577k).

Reserves Policy

ST. JAMES' R.C. PRIMARY SCHOOL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

The principal policy on reserves is that accumulation of unspent GAG (Government Allocated Grant) balances should not breach any limits thereon set out in the Funding agreement.

The level of reserves should never be in deficit.

Each year the Governors review the resource requirements and grant and other income that is forecast for the coming year and an annual budget is formulated and approved.

Investment Policy

There are no investments held beyond cash deposits retained with the major UK clearing banks. Speculative investments are not permitted.

Principal Risks and Uncertainties

The governors have assessed the major risks to which the company is exposed, in particular those relating to academic performance/finances/child welfare.

The governors have implemented a number of systems to assess risks that the company faces, and have developed policies and procedures to mitigate those risks. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The company has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

The risk management process has been codified in a risk register implemented by the Senior Leadership Team and overseen by Governors. The principal financial risk faced by the company is that ongoing pressure on funding results in a risk that deficits may be experienced.

The budgeting and reporting process, including scrutiny by the governors of actual financial performance, mitigates the risk.

As the nature of the financial instruments dealt with by the company is relatively simple (bank balances, debtors and "trade" creditors), governors consider the associated risk in this area to be minimal.

The risk resulting from the company's share of the LGPS (Local Government Pension Scheme) deficit is managed by following the advice of the scheme's actuaries, specifically as regards the level of contributions payable, ensuring that annual budgets are drawn up to reflect the actuary's advice.

Our fundraising practices

The trust organise fundraising events and appeals and co-ordinate the activities of our supporters both in the academy and in the wider community on behalf of the trust.

The trust does not use professional fundraisers or involve commercial participators.

There have been no complaints about fundraising activity this year.

The trust complies with the Fundraising Regulator's Code of Fundraising Practice)

All fundraising is undertaken by the trust in a manner that seeks to ensure that it is not unreasonably intrusive or persistent. Contact is made through email, academy newsletters, our websites and via students. All fundraising material contains clear instructions on how a person can be removed from mailing lists.

Plans for Future Periods

ST. JAMES' R.C. PRIMARY SCHOOL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

The principal task facing the school is to maintain and improve on the excellent educational standards achieved.

Through the strong Catholic ethos the staff, parents, governors are committed to working together to ensure that the needs and aspirations of every single pupil of the School are met.

In addition there are a number of key priorities for the year ahead:

- To maintain and upkeep the school buildings and the school grounds.
- To ensure that the school premises continue to meet all health and safety requirements.
- To continue to move forward and raise standards.
- To improve the progress and attainment of all pupils.
- To ensure that our safeguarding procedures continue to be robust and are in line with Keeping Children Safe in Education 2019.
- To ensure that interventions are targeted, tracked and evaluated and have a positive impact on pupil outcomes.

Funds Held as Custodian Trustee on Behalf of Others

The Academy does not act as a Custodian Trustee and therefore does not hold any funds on behalf of others.

Auditor

Insofar 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 Trustees' Report, incorporating a Strategic Report, was approved by order of the Board, as the company directors, on 07/12/2020 and signed on its behalf by:



M Hutchinson

Chair & Foundation Governor

ST. JAMES' R.C. PRIMARY SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2020

Scope of responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that St. James' R.C. 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 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. James' R.C. Primary School and the Secretary of State for Education. The accounting officer is also responsible for reporting to the Board any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board has formally met 3 times during the year. The attendance record of each Trustee at Board Meetings was as follows:

| Trustees | Meetings attended | Out of possible |
|--|-------------------|-----------------|
| D Camilleri (Foundation Governor) | 3 | 3 |
| B Cotta (Parent Governor) | 3 | 3 (omit) |
| M Edwards (Local Governor) | 3 | 3 |
| J Gibson (Foundation Governor) | 2 | 3 (omit) |
| P Gribben (Foundation Governor) | 1 | 3 |
| M Hutchinson (Chair & Foundation Governor) | 3 | 3 |
| A Garlick (Staff Governor) | 3 | 3 |
| L Weeks (Head Teacher & Accounting Officer) | 3 | 3 |
| K Chan (Foundation Governor) | 2 | 3 |
| M Connell (Foundation Governor) | 3 | 3 |
| C Victore-Nijjar (Parent Governor) | 2 | 3 |
| Cat Hardiman (Parent Governor appointed 2.10.19) | 3 | 3 |

Details of key changes to composition of the Board and/or Committees

There were no key changes to the composition of the Board during the year.

Governance reviews

The Governing Body is very experienced and is made up of individuals with wide ranging and appropriate skills. Governors attend training courses and make use of on-line resources to ensure the enhancement of their appropriate skills. The Governing Body will continue with a programme of self-evaluation.

The Resources and Audit committee is a committee of the main Board. Its purpose is to advise the Board on financial matters, monitoring financial management, financial position and taking responsibility for the process of risk management.

The attendance record of each Trustee at the Resource & Audit Meetings was as follows:

| Trustees | Meetings attended | Out of possible |
|---|-------------------|-----------------|
| M Hutchinson (Chair & Foundation Governor) | 3 | 3 |
| A Garlick (Staff Governor) | 3 | 3 |
| L Weeks (Head Teacher & Accounting Officer) | 3 | 3 |
| K Chan (Foundation Governor) | 2 | 3 |
| M Wilson (Deputy Head Teacher) | 3 | 3 |
| Mark Hutchins (Foundation Governor) | 3 | 3 |

ST. JAMES' R.C. PRIMARY SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2020

Governing Body Training

Governors continue to enhance their skills by attending relevant courses that will continue to help underpin the strength of the board's oversight of the operational activities of the school.

Review of Value for Money

As Accounting Officer the Head Teacher 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 trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year by:

The Accounting Officer in conjunction with the Finance Manager constantly drive to improve our use of resources to deliver best value for money. The essential upgrade of the Computer Suite, including the purchase of 33 high performance Dell Computers was a very good example of our ability to ensure we get the best possible value for the School in our procurement. The new facilities have made a huge positive difference to the children's learning environment. As in previous years we will continue to ensure we obtain excellent value for money in order to provide for our community of Staff, Parents and Students a working environment that inspires excellence.

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. James' R.C. Primary School for the year ended 31 August 2020 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The Board of Trustees 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 Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ended 31 August 2020 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of Trustees.

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;
- 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;
- delegation of authority and segregation of duties;
- Identification and management of risks.

ST. JAMES' R.C. PRIMARY SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2020

Description of internal audit/RO findings and actions implemented/planned in response

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the trustees have appointed board member Mr Mark Hutchins to the role of Responsible Officer. He has a wealth of experience from the commercial world and has worked closely with the Finance Manager and fellow board member Amanda Garlick to ensure the trust maintains a strong Internal Audit function.

Summary of key internal audit/RO findings & actions implemented/planned in response

During the period three reports were commissioned to review transactions and systems. The Trustees then considered these findings. Over the year no material control weaknesses were reported and the Trustees are satisfied that the role of RO has been fulfilled very effectively.

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 responsible officer;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

Approved by order of the Board on 07/12/2020 and signed on its behalf by:



L Weeks
Head Teacher



M Hutchinson
Chair & Foundation Governor

ST. JAMES' R.C. PRIMARY SCHOOL

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2020

As accounting officer of St. James' R.C. Primary School, I have considered my responsibility to notify the Academy Trust Board 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 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 and ESFA.



L Weeks
Accounting Officer

07 December 2020

ST. JAMES' R.C. PRIMARY SCHOOL

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2020

The trustees (who are also the directors of St. James' R.C. Primary School for the purposes of company law) are responsible for preparing the Trustees' report and the Financial Statements 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 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 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 Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring that 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 on 07 December 2020 and signed on its behalf by:



M Hutchinson

Chair & Foundation Governor

ST. JAMES' R.C. PRIMARY SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. JAMES' R.C. PRIMARY SCHOOL

FOR THE YEAR ENDED 31 AUGUST 2020

Opinion

We have audited the Financial Statements of St. James' R.C. 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 Financial Statements, 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 Financial Statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and 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 Financial Statements' 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 Financial Statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

- the Trustees' use of the going concern basis of accounting in the preparation of the Financial Statements is not appropriate; or
- the Trustees have not disclosed in the Financial Statements any identified material uncertainties that may cast significant doubt about the 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 Financial Statements are authorised for issue.

Other information

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

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

We have nothing to report in this regard.

ST. JAMES' R.C. PRIMARY SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. JAMES' R.C. 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 Trustees' Report including the incorporated Strategic Report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the Trustees' 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 Trustees' 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 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 statement of Trustees' responsibilities, the Trustees 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 Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company, or have no realistic alternative but to do so.

Auditor's 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 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 Financial Statements.

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

ST. JAMES' R.C. PRIMARY SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. JAMES' R.C. 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.



David John Walsh FCCA (Senior Statutory Auditor)
For and on behalf of Baxter & Co
Statutory Auditor
Chartered Certified Accountants
Lynwood House
Crofton Road
Orpington
Kent
BR6 8QE

Dated: 15 December 2020

ST. JAMES' R.C. PRIMARY SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST. JAMES' R.C. 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 3 May 2012 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. James' R.C. 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. James' R.C. 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. James' R.C. 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. James' R.C. Primary School and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of St. James' R.C. Primary School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of St. James' R.C. Primary School's funding agreement with the Secretary of State for Education dated 1 April 2012 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.

The work undertaken to draw to our conclusion includes:

- Review of payments to staff;
- Review of payments to suppliers and other third parties;
- Review of grant and other income streams;
- Review of some key financial control procedures;
- Discussions with finance staff;
- Consideration of the record maintained by the Accounting Officer of the oversight they have exercised;
- Consideration of the programme of internal scrutiny implemented by the Academy Trust in order to comply with its obligations under 3.1 of the Academies Financial Handbook 2019, issued by the ESFA.

ST. JAMES' R.C. PRIMARY SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST. JAMES' R.C. 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.



Baxter & Co
Independent Reporting Accountants
Chartered Certified Accountants
Lynwood House
Crofton Road
Orpington
Kent
BR6 8QE

Dated: 15 December 2020

ST. JAMES' R.C. 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 £'000 | Fixed asset £'000 | Total 2020 £'000 | Total 2019 £'000 |
|---|----------|-----------------------------|------------------------------------|----------------------|------------------------|------------------------|
| Income and endowments from: | | | | | | |
| Donations and capital grants | 3 | - | 13 | 3 | 16 | 1,173 |
| Charitable activities: | | | | | | |
| - Funding for educational operations | 4 | 81 | 1,032 | - | 1,113 | 1,118 |
| Other trading activities | 5 | 1 | 88 | - | 89 | 6 |
| Total | | <u>82</u> | <u>1,133</u> | <u>3</u> | <u>1,218</u> | <u>2,297</u> |
| Expenditure on: | | | | | | |
| Raising funds | 6 | - | 85 | - | 85 | - |
| Charitable activities: | | | | | | |
| - Grants | 7 | - | 812 | - | 812 | 333 |
| - Educational operations | 8 | 74 | 1,102 | 12 | 1,188 | 1,238 |
| Total | 6 | <u>74</u> | <u>1,999</u> | <u>12</u> | <u>2,085</u> | <u>1,571</u> |
| Net income/(expenditure) | | 8 | (866) | (9) | (867) | 726 |
| Transfers between funds | 16 | - | 804 | (804) | - | - |
| Other recognised gains/(losses) | | | | | | |
| Actuarial gains/(losses) on defined benefit pension schemes | 18 | - | 23 | - | 23 | (149) |
| Net movement in funds | | 8 | (39) | (813) | (844) | 577 |
| Reconciliation of funds | | | | | | |
| Total funds brought forward | | 85 | (242) | 851 | 694 | 117 |
| Total funds carried forward | | <u>93</u> | <u>(281)</u> | <u>38</u> | <u>(150)</u> | <u>694</u> |

ST. JAMES' R.C. 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 | Restricted funds: | | Total |
|---|-------|----------------|-------------------|----------------------|---------------|
| | | funds £'000 | General £'000 | Fixed asset £'000 | 2019 £'000 |
| Income and endowments from: | | | | | |
| Donations and capital grants | 3 | - | 12 | 1,161 | 1,173 |
| Charitable activities: | | | | | |
| - Funding for educational operations | 4 | 113 | 1,005 | - | 1,118 |
| Other trading activities | 5 | 6 | - | - | 6 |
| Total | | <u>119</u> | <u>1,017</u> | <u>1,161</u> | <u>2,297</u> |
| Expenditure on: | | | | | |
| Charitable activities: | | | | | |
| - Grants | 7 | - | 333 | - | 333 |
| - Educational operations | 8 | 75 | 1,154 | 9 | 1,238 |
| Total | 6 | <u>75</u> | <u>1,487</u> | <u>9</u> | <u>1,571</u> |
| Net income/(expenditure) | | 44 | (470) | 1,152 | 726 |
| Transfers between funds | 16 | - | 333 | (333) | - |
| Other recognised gains/(losses) | | | | | |
| Actuarial losses on defined benefit pension schemes | 18 | - | (149) | - | (149) |
| Net movement in funds | | 44 | (286) | 819 | 577 |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | 41 | 44 | 32 | 117 |
| Total funds carried forward | | <u>85</u> | <u>(242)</u> | <u>851</u> | <u>694</u> |

ST. JAMES' R.C. PRIMARY SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2020

| | | 2020 | | 2019 | |
|--|-------|------------|--------------|--------------|--------------|
| | Notes | £'000 | £'000 | £'000 | £'000 |
| Fixed assets | | | | | |
| Tangible assets | 12 | | 6 | | 9 |
| Current assets | | | | | |
| Debtors | 13 | 54 | | 608 | |
| Cash at bank and in hand | | 279 | | 832 | |
| | | <u>333</u> | | <u>1,440</u> | |
| Current liabilities | | | | | |
| Creditors: amounts falling due within one year | 14 | (116) | | (413) | |
| Net current assets | | | <u>217</u> | | <u>1,027</u> |
| Net assets excluding pension liability | | | <u>223</u> | | <u>1,036</u> |
| Defined benefit pension scheme liability | 18 | | (373) | | (342) |
| Total net (liabilities)/assets | | | <u>(150)</u> | | <u>694</u> |
| Funds of the Academy Trust: | | | | | |
| Restricted funds | 16 | | | | |
| - Fixed asset funds | | | 38 | | 851 |
| - Restricted income funds | | | 92 | | 100 |
| - Pension reserve | | | (373) | | (342) |
| Total restricted funds | | | <u>(243)</u> | | <u>609</u> |
| Unrestricted income funds | 16 | | <u>93</u> | | <u>85</u> |
| Total funds | | | <u>(150)</u> | | <u>694</u> |

The Financial Statements on pages 20 to 42 were approved by the Trustees and authorised for issue on 07 December 2020 and are signed on their behalf by:


M Hutchinson
Chair & Foundation Governor

Company Number 07976516

ST. JAMES' R.C. PRIMARY SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

| | Notes | 2020 £'000 | £'000 | 2019 £'000 | £'000 |
|---|-------|---------------|------------|---------------|------------|
| Cash flows from operating activities | | | | | |
| Net cash used in operating activities | 19 | | (547) | | (604) |
| Cash flows from investing activities | | | | | |
| Capital grants from DfE Group | | 3 | | 1,161 | |
| Purchase of tangible fixed assets | | (9) | | - | |
| Net cash (used in)/provided by investing activities | | | (6) | | 1,161 |
| Net (decrease)/increase in cash and cash equivalents in the reporting period | | | (553) | | 557 |
| Cash and cash equivalents at beginning of the year | | | 832 | | 275 |
| Cash and cash equivalents at end of the year | | | <u>279</u> | | <u>832</u> |

ST. JAMES' R.C. 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 Financial Statements 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 Financial Statements 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 2019 to 2020 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, 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 Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the Financial Statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the Financial Statements.

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.

Sponsorship income

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

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.

ST. JAMES' R.C. PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

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.

Donated goods, facilities and services

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

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.

1.5 Tangible fixed assets and depreciation

Assets costing £2,500 or more per item (or less if they form part of a larger purchase or project where the total cost exceeds £12,500) are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

ST. JAMES' R.C. PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

The land and buildings used by the Academy Trust are occupied under a licence to occupy agreement with the Diocesan Board. This does not transfer substantially all of the risks and rewards of ownership and hence no value is attributed to them within these financial statements.

Computer equipment 3 years straight line

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

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.

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.

ST. JAMES' R.C. PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

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.

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 Trustees.

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

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

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 18, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

ST. JAMES' R.C. PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

2 Critical accounting estimates and areas of judgement

Critical areas of judgement

In preparing these Financial Statements, the Trustees have not needed to exercise any subjective judgements that would be critical to the Academy Trust's Financial Statements.

3 Donations and capital grants

| | Unrestricted funds £'000 | Restricted funds £'000 | Total 2020 £'000 | Total 2019 £'000 |
|-----------------|--------------------------------|------------------------------|------------------------|------------------------|
| Capital grants | - | 3 | 3 | 1,161 |
| Other donations | - | 13 | 13 | 12 |
| | <u>-</u> | <u>16</u> | <u>16</u> | <u>1,173</u> |

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) | - | 856 | 856 | 854 |
| Other DfE group grants | - | 125 | 125 | 81 |
| | <u>-</u> | <u>981</u> | <u>981</u> | <u>935</u> |
| Other government grants | | | | |
| Local authority grants | - | 22 | 22 | 19 |
| Exceptional government funding | | | | |
| Coronavirus Job Retention Scheme grant | - | 7 | 7 | - |
| | <u>-</u> | <u>29</u> | <u>29</u> | <u>19</u> |
| Other funding | | | | |
| Before and after school clubs | 53 | - | 53 | 79 |
| Catering income | 23 | - | 23 | 34 |
| Other incoming resources | 5 | 22 | 27 | 51 |
| | <u>81</u> | <u>22</u> | <u>103</u> | <u>164</u> |
| Total funding | <u>81</u> | <u>1,032</u> | <u>1,113</u> | <u>1,118</u> |

ST. JAMES' R.C. PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

| 5 Other trading activities | Unrestricted funds £'000 | Restricted funds £'000 | Total 2020 £'000 | Total 2019 £'000 |
|----------------------------|--------------------------------|------------------------------|------------------------|------------------------|
| Hire of facilities | 1 | - | 1 | 6 |
| Insurance claim income | - | 88 | 88 | - |
| | <u>1</u> | <u>88</u> | <u>89</u> | <u>6</u> |

| 6 Expenditure | Staff costs £'000 | Non-pay expenditure | | Total 2020 £'000 | Total 2019 £'000 |
|----------------------------------|----------------------|---------------------|----------------|------------------------|------------------------|
| | | Premises £'000 | Other £'000 | | |
| Expenditure on raising funds | | | | | |
| - Direct costs | - | - | 85 | 85 | - |
| Academy's educational operations | | | | | |
| - Direct costs | 767 | 9 | 77 | 853 | 860 |
| - Allocated support costs | 180 | 67 | 88 | 335 | 378 |
| Grants - support costs | - | 812 | - | 812 | 333 |
| | <u>947</u> | <u>888</u> | <u>250</u> | <u>2,085</u> | <u>1,571</u> |

| Net income/(expenditure) for the year includes: | 2020 £'000 | 2019 £'000 |
|---|---------------|---------------|
| Fees payable to auditor for: | | |
| - Audit | 6 | 6 |
| - Other services | 8 | 8 |
| Operating lease rentals | 2 | 2 |
| Depreciation of tangible fixed assets | 12 | 9 |
| Net interest on defined benefit pension liability | 5 | 3 |
| | <u>33</u> | <u>28</u> |

Included within expenditure are the following transactions:

| | 2020 £ |
|---|-----------|
| Gifts made by the Academy Trust - total | <u>5</u> |

Clarification - While the majority of disclosure in these accounts are rounded to £'000, disclosure of gifts made and unrecoverable debts are not. The value of gifts made for the year was £5 (and not £5k).

ST. JAMES' R.C. PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

7 Analysis of grants expenditure

| | Unrestricted funds £'000 | Restricted funds £'000 | Total 2020 £'000 | Total 2019 £'000 |
|--|--------------------------------|------------------------------|------------------------|------------------------|
| Improvements to diocesan property occupied by the Academy Trust | - | 812 | 812 | 333 |

Included in expenditure is £812k (2019: £333k) funded from CIF capital grants relating to capital improvement projects including an Electrical and Fire Safety project and Roofing works.

8 Charitable activities

| | Unrestricted funds £'000 | Restricted funds £'000 | Total 2020 £'000 | Total 2019 £'000 |
|------------------------|--------------------------------|------------------------------|------------------------|------------------------|
| Direct costs | | | | |
| Educational operations | 74 | 779 | 853 | 860 |
| Support costs | | | | |
| Educational operations | - | 1,147 | 1,147 | 711 |
| | 74 | 1,926 | 2,000 | 1,571 |

Analysis of costs

| | 2020 £'000 | 2019 £'000 |
|--|---------------|---------------|
| Direct costs | | |
| Teaching and educational support staff costs | 767 | 724 |
| Staff development | 5 | 8 |
| Depreciation | 9 | 7 |
| Technology costs | 12 | 17 |
| Educational supplies and services | 40 | 53 |
| Educational consultancy | - | 2 |
| Other direct costs | 20 | 49 |
| | 853 | 860 |

ST. JAMES' R.C. PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

8 Charitable activities

Support costs

| | | |
|--|--------------|------------|
| Support staff costs | 131 | 145 |
| Defined benefit pension scheme - staff costs (FRS102 adjustment) | 49 | 55 |
| Depreciation | 3 | 2 |
| Technology costs | 8 | 3 |
| Maintenance of premises and equipment | 826 | 353 |
| Cleaning | 22 | 23 |
| Energy costs | 10 | 10 |
| Rent, rates and other occupancy costs | 10 | 11 |
| Insurance | 6 | 10 |
| Security and transport | 2 | 1 |
| Catering | 38 | 48 |
| Defined benefit pension scheme - finance costs (FRS102 adjustment) | 5 | 3 |
| Other support costs | 8 | 10 |
| Governance costs | 29 | 37 |
| | <u>1,147</u> | <u>711</u> |

9 Staff

Staff costs

Staff costs during the year were:

| | 2020 £'000 | 2019 £'000 |
|--|---------------|---------------|
| Wages and salaries | 680 | 680 |
| Social security costs | 60 | 58 |
| Pension costs | 153 | 123 |
| Defined benefit pension scheme - staff costs (FRS102 adjustment) | 49 | 55 |
| Staff costs - employees | <u>942</u> | <u>916</u> |
| Agency staff costs | 5 | 8 |
| | <u>947</u> | <u>924</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 | 12 |
| Administration and support | 25 | 30 |
| Management | 3 | 1 |
| | <u>40</u> | <u>43</u> |

ST. JAMES' R.C. PRIMARY SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

9 Staff

The number of persons employed, expressed as a full time equivalent, was as follows:

| | 2020 | 2019 |
|----------------------------|---------------|---------------|
| | Number | Number |
| Teachers | 9 | 10 |
| Administration and support | 12 | 14 |
| Management | 2 | 1 |
| | <u>23</u> | <u>25</u> |

Higher paid staff

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

| | 2020 | 2019 |
|-------------------|---------------|---------------|
| | Number | Number |
| £60,000 - £70,000 | <u>1</u> | <u>1</u> |

Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £389,817 (2019: £316,150).

10 Trustees' remuneration and expenses

One or more of the Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Head Teacher and other Staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Head Teacher and staff members under their contracts of employment, and not in respect of their services as Trustees.

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

L Weeks (Head Teacher):

- Remuneration: £65,000 - £70,000 (2019: £60,000 - £65,000)
- Employer's pension contributions: £15,000 - £20,000 (2019: £10,000 - £15,000)

A Garlick (Staff Trustee - Appointed 2 October 2019):

- Remuneration: £30,000 - £35,000 (2019: not elected)
- Employer's pension contributions: £5,000 - £10,000 (2019: not elected)

M Willson (Staff Trustee):

- Remuneration: £50,000 - £55,000 (2019: £50,000 - £55,000)
- Employer's pension contributions: £10,000 - £15,000 (2019: £5,000 - £10,000)
-

During the year, expense payments totalling £184 (2019: £nil) were reimbursed or paid directly to 3 Governors (2019: None). Reimbursements were made for expenses incurred in the normal course of employment. Other related party transactions involving the Trustees are set out within the related parties note.

ST. JAMES' R.C. PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

11 Insurance for Trustees and officers

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees 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 £61 (2019: £62). The cost of this insurance is included in the total insurance cost.

12 Tangible fixed assets

| | Computer equipment £'000 |
|-----------------------|--------------------------------|
| Cost | |
| At 1 September 2019 | 27 |
| Additions | 9 |
| | <hr/> |
| At 31 August 2020 | 36 |
| | <hr/> |
| Depreciation | |
| At 1 September 2019 | 18 |
| Charge for the year | 12 |
| | <hr/> |
| At 31 August 2020 | 30 |
| | <hr/> |
| Net book value | |
| At 31 August 2020 | 6 |
| | <hr/> |
| At 31 August 2019 | 9 |
| | <hr/> |

The Academy occupies the Land & Buildings under the terms of a licence to occupy that does not confer substantially all of the risks and rewards of ownership. The land and buildings are owned by Southwark Diocese (the landlord). The landlord and the Academy Trust have entered into a supplemental agreement with the Secretary of State for Education which grants the Academy Trust the right to occupy the land and buildings, subject inter-alia to the landlord's ability to give two year's notice of termination of the agreement.

The Trustees of the Academy Trust have considered carefully the requirements of and guidance notes within the Academies Accounts Direction 2019 to 2020 issued by the ESFA. They have concluded, taking into account the rights and obligations placed upon the Academy Trust by the supplemental agreement, that the substance of the arrangement is not materially different to its legal form. Accordingly they have concluded that it would be misleading to recognise the Academy's right to occupy its buildings as a fixed asset on its balance sheet.

Playing Fields are occupied on the basis of a 125 year lease with the London Borough of Bromley. The Trustees of the Academy Trust do not consider that this has a material value, bearing in mind the legal restrictions that exist as to permissible use of the land.

ST. JAMES' R.C. PRIMARY SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

| 13 Debtors | 2020 | 2019 |
|--|--------------|--------------|
| | £'000 | £'000 |
| Trade debtors | - | 3 |
| VAT recoverable | 20 | 74 |
| Prepayments and accrued income | 34 | 531 |
| | <u>54</u> | <u>608</u> |
| | | |
| 14 Creditors: amounts falling due within one year | 2020 | 2019 |
| | £'000 | £'000 |
| Trade creditors | 3 | 356 |
| Other taxation and social security | 14 | 14 |
| Other creditors | 17 | 15 |
| Accruals and deferred income | 82 | 28 |
| | <u>116</u> | <u>413</u> |
| | | |
| 15 Deferred income | 2020 | 2019 |
| | £'000 | £'000 |
| Deferred income is included within: | | |
| Creditors due within one year | <u>23</u> | <u>22</u> |
| | | |
| Deferred income at 1 September 2019 | 22 | 22 |
| Released from previous years | (22) | (22) |
| Resources deferred in the year | <u>23</u> | <u>22</u> |
| | | |
| Deferred income at 31 August 2020 | <u>23</u> | <u>22</u> |

Deferred income relates to Universal Infant Free School Meal grant of £23k (2019: £22k).

ST. JAMES' R.C. PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

16 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) | 29 | 856 | (1,683) | 813 | 15 |
| Other DfE / ESFA grants | 5 | 107 | (109) | - | 3 |
| Pupil premium | - | 18 | (18) | - | - |
| Other government grants | - | 29 | (26) | - | 3 |
| Other restricted funds | 66 | 123 | (109) | (9) | 71 |
| Pension reserve | (342) | - | (54) | 23 | (373) |
| | <u>(242)</u> | <u>1,133</u> | <u>(1,999)</u> | <u>827</u> | <u>(281)</u> |
| Restricted fixed asset funds | | | | | |
| DfE group capital grants | 844 | 3 | (2) | (813) | 32 |
| Capital expenditure from GAG and other funds | 7 | - | (10) | 9 | 6 |
| | <u>851</u> | <u>3</u> | <u>(12)</u> | <u>(804)</u> | <u>38</u> |
| Total restricted funds | <u>609</u> | <u>1,136</u> | <u>(2,011)</u> | <u>23</u> | <u>(243)</u> |
| Unrestricted funds | | | | | |
| General funds | <u>85</u> | <u>82</u> | <u>(74)</u> | <u>-</u> | <u>93</u> |
| Total funds | <u>694</u> | <u>1,218</u> | <u>(2,085)</u> | <u>23</u> | <u>(150)</u> |

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

The General Annual Grant fund is to be used for the general operation of the academy.

The Other DfE/ESFA fund and Other Government Grant fund represents the unspent balance of grants received during the period for specific purposes.

The Other Restricted Funds represent general funds which remain unspent, but are earmarked for particular purposes.

The DfE/ESFA Capital Grant Fund represents unspent capital income at the period end and is set aside to fund future capital purchases.

Unrestricted General Funds represent balances held at the period end that can be applied at the discretion of the Governors, to support any of the Academy's charitable purposes.

ST. JAMES' R.C. PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

16 Funds

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) | 89 | 854 | (1,247) | 333 | 29 |
| Other DfE / ESFA grants | 8 | 47 | (50) | - | 5 |
| Pupil premium | - | 34 | (34) | - | - |
| Other government grants | - | 19 | (19) | - | - |
| Other restricted funds | 82 | 63 | (79) | - | 66 |
| Pension reserve | (135) | - | (58) | (149) | (342) |
| | <u>44</u> | <u>1,017</u> | <u>(1,487)</u> | <u>184</u> | <u>(242)</u> |
| Restricted fixed asset funds | | | | | |
| DfE group capital grants | 17 | 1,161 | (1) | (333) | 844 |
| Capital expenditure from GAG and other funds | 15 | - | (8) | - | 7 |
| | <u>32</u> | <u>1,161</u> | <u>(9)</u> | <u>(333)</u> | <u>851</u> |
| Total restricted funds | <u>76</u> | <u>2,178</u> | <u>(1,496)</u> | <u>(149)</u> | <u>609</u> |
| Unrestricted funds | | | | | |
| General funds | 41 | 119 | (75) | - | 85 |
| | <u>41</u> | <u>119</u> | <u>(75)</u> | <u>-</u> | <u>85</u> |
| Total funds | <u>117</u> | <u>2,297</u> | <u>(1,571)</u> | <u>(149)</u> | <u>694</u> |

17 Analysis of net assets between funds

| | Unrestricted Funds £'000 | Restricted funds: General £'000 | Fixed asset £'000 | Total Funds £'000 |
|--|--------------------------------|---------------------------------------|----------------------|-------------------------|
| Fund balances at 31 August 2020 are represented by: | | | | |
| Tangible fixed assets | - | - | 6 | 6 |
| Current assets | 93 | 208 | 32 | 333 |
| Creditors falling due within one year | - | (116) | - | (116) |
| Defined benefit pension liability | - | (373) | - | (373) |
| | <u>93</u> | <u>(281)</u> | <u>38</u> | <u>(150)</u> |
| Total net assets | <u>93</u> | <u>(281)</u> | <u>38</u> | <u>(150)</u> |

ST. JAMES' R.C. PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

17 Analysis of net assets between funds

| | Unrestricted Funds £'000 | Restricted funds: General £'000 | Fixed asset £'000 | Total Funds £'000 |
|--|--------------------------------|---------------------------------------|----------------------|-------------------------|
| Fund balances at 31 August 2019 are represented by: | | | | |
| Tangible fixed assets | - | - | 9 | 9 |
| Current assets | 85 | 513 | 842 | 1,440 |
| Creditors falling due within one year | - | (413) | - | (413) |
| Defined benefit pension liability | - | (342) | - | (342) |
| Total net assets | 85 | (242) | 851 | 694 |

18 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 2012, and that of the LGPS related to the period ended 31 March 2016.

Contributions amounting to £17k (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.

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.

ST. JAMES' R.C. PRIMARY SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

18 Pension and similar obligations

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 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. 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 £91k (2019: £60k).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 24.3% for employers and 5.5% to 12.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of Academy Trust 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 | 2019 |
|--|--------------|--------------|
| | £'000 | £'000 |
| Employer's contributions | 62 | 63 |
| Employees' contributions | 15 | 16 |
| Total contributions | 77 | 79 |
| | | |
| Principal actuarial assumptions | 2020 | 2019 |
| | % | % |
| Rate of increase in salaries | 3.80 | 3.50 |
| Rate of increase for pensions in payment/inflation | 2.40 | 2.10 |
| Discount rate for scheme liabilities | 1.80 | 1.80 |
| Rate of CPI inflation | 2.30 | 2.00 |

ST. JAMES' R.C. PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

18 Pension and similar obligations

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 |

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

| | 2020 | 2019 |
|--------------------------|-------|------|
| Discount rate + 0.1% | 1,055 | 924 |
| Discount rate - 0.1% | 1,102 | 969 |
| Life expectancy + 1 year | 1,108 | 962 |
| Life expectancy - 1 year | 1,049 | 930 |
| Salary rate + 0.1% | 1,081 | 942 |
| Salary rate - 0.1% | 1,075 | 950 |
| Pensions rate + 0.1% | 1,101 | 968 |
| Pensions rate - 0.1% | 1,055 | 924 |

Defined benefit pension scheme net liability

| | | |
|--------------------|---------|-------|
| Scheme assets | 705 | 604 |
| Scheme obligations | (1,078) | (946) |
| Net liability | (373) | (342) |

The Academy Trust's share of the assets in the scheme

| | 2020 Fair value £'000 | 2019 Fair value £'000 |
|------------------------------|-----------------------------|-----------------------------|
| Equities | 462 | 384 |
| Other Bonds | 44 | 37 |
| Government Bonds | 49 | 39 |
| Cash / Liquidity | 6 | 7 |
| Property | 27 | 25 |
| Other assets | 117 | 112 |
| Total market value of assets | 705 | 604 |

The actual return on scheme assets was £57,000 (2019: £38,000).

ST. JAMES' R.C. PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

18 Pension and similar obligations

| Amount recognised in the Statement of Financial Activities | 2020 £'000 | 2019 £'000 |
|--|---------------|-----------------------|
| Current service cost | 109 | 90 |
| Past service cost | - | 28 |
| Interest income | (12) | (15) |
| Interest cost | 17 | 18 |
| Administration expenses | 2 | - |
| Total operating charge | <u>116</u> | <u>121</u> |
| Changes in the present value of defined benefit obligations | | 2020 £'000 |
| At 1 September 2019 | | 946 |
| Current service cost | | 109 |
| Interest cost | | 17 |
| Employee contributions | | 15 |
| Actuarial (gain)/loss | | (9) |
| At 31 August 2020 | | <u>1,078</u> |
| Changes in the fair value of the Academy Trust's share of scheme assets | | 2020 £'000 |
| At 1 September 2019 | | 604 |
| Interest income | | 12 |
| Actuarial gain | | 14 |
| Employer contributions | | 62 |
| Employee contributions | | 15 |
| Effect of non-routine settlements and administration expenses | | (2) |
| At 31 August 2020 | | <u>705</u> |

ST. JAMES' R.C. PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

| | | | | |
|-----------|--|--------------------|-------------------|------------------|
| 19 | Reconciliation of net (expenditure)/income to net cash flow from operating activities | | | |
| | | | 2020 | 2019 |
| | | | £'000 | £'000 |
| | Net (expenditure)/income for the reporting period (as per the statement of financial activities) | | (867) | 726 |
| | Adjusted for: | | | |
| | Capital grants from DfE and other capital income | | (3) | (1,161) |
| | Defined benefit pension costs less contributions payable | | 49 | 55 |
| | Defined benefit pension scheme finance cost | | 5 | 3 |
| | Depreciation of tangible fixed assets | | 12 | 9 |
| | Decrease/(increase) in debtors | | 554 | (596) |
| | (Decrease)/increase in creditors | | (297) | 360 |
| | Net cash used in operating activities | | (547) | (604) |
| 20 | Analysis of changes in net funds | | | |
| | | 1 September | Cash flows | 31 August |
| | | 2019 | | 2020 |
| | | £'000 | £'000 | £'000 |
| | Cash | 832 | (553) | 279 |
| 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 | 2019 |
| | | | £'000 | £'000 |
| | Amounts due within one year | | 2 | 2 |
| | Amounts due in two and five years | | 3 | 5 |
| | | | <u>5</u> | <u>7</u> |
| 22 | Capital commitments | | | |
| | | | 2020 | 2019 |
| | | | £'000 | £'000 |
| | Expenditure contracted for but not provided in the Financial Statements | | - | 832 |

ST. JAMES' R.C. PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

23 Related party transactions

Owing to the nature of the Academy Trust's operations and the composition of the Board being drawn from local public and private sector organisations, transactions may take place with organisations in which the Academy Trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account.

J Flower, a close family member of A Garlick (a Trustee) is employed at the Trust. Their appointment was made in open competition and the respective Trustee was not involved in the decision making process regarding the appointment. The amounts paid were within the normal pay scale for their role and no special treatment was received as a result of their relationship to the respective Trustee.

A Garlick is a Governor of the Academy Trust and is also an employee. During the year the Trust purchased services from A Garlick, additional to duties of employment, for £1,859 (2019: £nil). No balance was outstanding at 31 August 2020.

24 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.