
ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
(A company limited by guarantee)

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ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
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REFERENCE AND ADMINISTRATIVE DETAILS

Members

Most Reverend Pater David Smith
Bishop Patrick Lynch
Bishop Paul Joseph Hendricks
Paul Mccallum

Governors

Izabela Bialas-Lecybyl, Chair
Joanna Seymour, Principal
Ronnie Silva (resigned 23 November 2018)
Francis Akhigbe
Marina Armstrong (resigned 1 September 2018)
Jenny Smith
Philip Dowling (resigned 31 October 2018)
Reverend Cyriacus Okafor
Stephen Gregory Trimmer
Christina Alexander, Vice Chair
Tracy Baines
Kirsty Everson
Catherina Nolan-Ruffle (appointed 17 July 2019)
Sarah Taylor (appointed 17 July 2019)
Matthew Forsythe

Company registered number

08938098

Company name

St Peter and St Paul Catholic Primary Academy

Principal and registered office

St Paul's Wood Hill, Orpington, Kent, BR5 2SR

Company secretary

Ian Partington

Senior management team

Joanna Seymour, Principal
Kirsty Everson, Vice Principal - Assessment
Ria Henry, Vice Principal - Teaching and Learning

Independent auditor

Knill James, One Bell Lane, Lewes, East Sussex, BN7 1JU

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Bankers

Lloyds Bank Plc, High Street, Orpington, Kent, BR6 0LJ

Solicitors

Stone King, Boundary House, 91 Charterhouse Street, London, EC1M 6HR

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
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GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019

The Governors present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2018 to 31 August 2019. The annual report serves the purposes of both a Governors' report and a directors' report under company law.

Since the academy qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Structure, governance and management

a. Constitution

The Academy is a charitable company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Trustees of St Peter and St Paul Catholic Primary Academy, 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 31 July 2014 and the predecessor school converted to Academy status on 1 August 2014. The charitable company is known as St Peter and St Paul Catholic Primary Academy.

Details of the Governors who served during the year, and to the date these accounts are approved are included in the Reference and administrative details on page 1.

b. Members' liability

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

c. Related parties and other connected charities and organisations

The Academy Trust is a member of the Bromley Catholic Schools' Trust, an Umbrella Trust which includes each of the Catholic Primary Academies in the London Borough of Bromley. The Umbrella Trust has limited liability and St Peter and St Paul's liability is limited to £10. The Umbrella Trust may require members to pay a subscription but has not raised any subscription to date.

d. Method of recruitment and appointment or election of Governors

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

- The Archbishop shall appoint seven Foundation Governors
- The Governing Body may appoint one Parent Governor
- The Governing body may appoint two staff Governors through a process as they may determine
- The Governing Body may appoint one Local Governor
- The Principal 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 of the board as a whole.

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Structure, governance and management (continued)

e. Policies and Procedures adopted for the Induction and Training of Governors

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 Governor Training from Octavo, we also subscribe to Governor Courses provided by the Archdiocese of Southwark.

f. Pay Policy for Key Management Personnel

The Academy follows the guidance set out in "School teachers' pay and conditions document 2016 and guidance on school teachers pay and conditions" as issued by the Department for Education when setting the remuneration of key management personnel.

g. 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 six times a year and has an internal committee structure of the following:-

Finance and Premises
Curriculum and Standards
Personnel

Sub-committees are created ad-hoc when necessary, in addition to those reporting into the above. (i.e. Safeguarding, Pay, Admissions, Disciplinary, Appeals, and Principal's Performance).

All 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 Principal, supported by the Senior Management Team.

The Principal is the Accounting Officer and the Business Manager is the Finance Officer.

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.

Objectives and activities

a. Objects 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 Peter and St Paul Catholic Primary Academy, the aim being to provide the highest possible standard of education and pastoral care, maximising the life-chances of its students.

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Objectives and activities (continued)

The Academy underwent a Section 5 Ofsted inspection on the 3 and 4 July 2017 and the outcome was Good with Outstanding features and a Section 48 Denominational Inspection in February 2017 and was identified as Good.

b. Objectives, strategies and activities

The main objectives during the year were;

- To increase the rate of pupil's progress further still across year groups and subjects by providing pupils, including the most able, with learning opportunities which challenge their thinking to deepen learning.
- To improve attendance so that it is in line with the national average.
- To develop opportunities for pupils to plan and lead collective worship throughout the Academy.
- To increase progress in reading by the end of Key Stage 2.

c. Public benefit

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

Attainment and Performance

a. 2018-2019 Progress and Achievement

Key Stage 2

Progress

Subject	St Peter and St Paul	Confidence Interval	Comment
Reading	1.08	-1.1 to 3.3	Average
Writing	-0.45	-2.5 to 1.6	Average
Mathematics	-0.13	-2.1 to 1.8	Average

Key Stage 2 Average Scaled Score Per Pupil

Subject	St Peter and St Paul	National
Reading	108.28	104.54
Mathematics	108.63	104.55

Key Stage 2 Attainment

Subject	St Peter and St Paul	National
Reading	Expected 94% Greater Depth 39%	Expected 73% Greater Depth 22%
Writing	Expected 94% Greater Depth 26%	Expected 78% Greater Depth 20%
Mathematics	Expected 100% Greater Depth 26%	Expected 26% Greater Depth 27%
Combined RWM	Expected 87% Greater Depth 13%	Expected 65% Greater Depth 11%

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Attainment and Performance (continued)

Key Stage 1 Attainment

Subject	St Peter and St Paul	National
Reading	Expected 93% Greater Depth 40%	Expected 75% Greater Depth 25%
Writing	Expected 73% Greater Depth 23%	Expected 69% Greater Depth 15%
Mathematics	Expected 83% Greater Depth 30%	Expected 76% Greater Depth 22%

Year 1 Phonic Check Result

Subject	St Peter and St Paul	National
Phonic Result	97%	82%
Average Mark	38	34

Early Years Foundation Stage

Good Level of Development	St Peter and St Paul	National
	76%	77%

Financial review

a. 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 1.97:1 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 of 1.5:1 to 3.5:1.
- 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, Sports Premium and Pupil Premium. The current figure is 93.6% (2018 - 91.4%).

These financial figures are recorded as per our Annual Accounts:

- Total incoming resources amounted to £1,517,043
- Total resources expended were £1,425,864
- Total fund balances at 31 August 2019 amounted to £3,823,691
- Fixed asset fund of £4,025,672 reflects the value of the fixed assets of the academy at 31 August 2019
- Other restricted funds, amounted to £(51,807)
- The Academy's share of the LGPS deficit amounted to £437,000
- Unrestricted funds stood at £286,287

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Financial review (continued)

b. Reserves policy

The principal policy on reserves is that accumulation of unspent GAG 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.

c. Going concern

After making appropriate enquiries, the board of Governors has a reasonable expectation that the academy has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue 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 accounting policies.

d. Investment policy

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

e. 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 Management Team and overseen by Governors.

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Financial review (continued)

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 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, financial and risk management objectives and policies.

Most of the company's income is obtained from the DfE (via the Education and Skills Funding Agency) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the period ended 31 August 2019 and the associated expenditure are shown as restricted funds in the statement of financial activities.

Fundraising

The academy does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Governors.

Plans for future periods

The principal task facing the company is to maintain and improve on the excellent educational standards achieved by the Academy. Through our strong family and Catholic ethos, our staff, parents, Governors and Parent Teacher Association, are committed to working together in the future to ensure we meet the needs and aspirations of every single child who attends the Academy.

In addition there are number key tasks for the year ahead:

- * Increase the rates of pupils' progress further still across year groups and subjects by providing pupils, including the most able, with learning opportunities that challenge their thinking to deepen their learning.
- * Improve attendance, particularly for those pupils who are eligible for free school meals and those who have special educational needs and/or disabilities, so that it is in line with the national average.

Funds held as custodian on behalf of others

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

Disclosure of information to auditor

Insofar as the Governors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- that Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Auditor

The auditor, Knill James, has indicated its willingness to continue in office. The designated Governors will propose a motion reappointing the auditor at a meeting of the Governors.

The Governors' report was approved by order of the board of Governors, as the company directors, on 16 December 2019 and signed on its behalf by:



Izabela Bialas-Lecybyl
Chair of Governors

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
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GOVERNANCE STATEMENT

Scope of responsibility

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

The board of Governors has delegated the day-to-day responsibility to the Principal, 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 Peter and St Paul Catholic Primary Academy and the Secretary of State for Education. They are also responsible for reporting to the board of Governors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' report and in the Statement of Governors' responsibilities. The board of Governors has formally met 7 times during the year.

Attendance during the year at meetings of the board of Governors was as follows:

Governor	Meetings attended	Out of a possible
Izabela Bialas-Lecybyl, Chair	6	7
Joanna Seymour, Principal	7	7
Ronnie Silva	0	3
Francis Akhigbe	4	7
Jenny Smith	6	7
Philip Dowling	2	2
Reverend Cyriacus Okafor	1	7
Stephen Gregory Trimmer	7	7
Christina Alexander, Vice Chair	5	7
Tracy Baines	3	7
Kirsty Everson	7	7
Catherina Nolan-Ruffle	1	1
Sarah Taylor	0	0
Matthew Forsythe	6	7

Review of value for money

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

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

Application of the four principles of best value:

- Challenge - Is the Academy Trust's performance high enough? Why and how is a service provided? Do we still require it? Can it be delivered differently?
- Compare - How does the Academy Trust's pupil performance and financial performance compare with all schools and academies?

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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

- Consult - How does the Academy Trust seek the views of stakeholders about services the academy provides? What do parents want?
- Compete - How does the Academy Trust secure efficient and effective services? Are services of appropriate quality, economic?

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in St Peter and St Paul Catholic Primary Academy for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of Governors has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks that has been in place for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Governors.

The risk and control framework

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

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

The board of Governors has considered the need for a specific internal audit function and has decided to appoint Liberata as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy's financial systems.

On a three monthly basis, the internal auditor reports to the board of Governors on the operation of the systems of control and on the discharge of the Governors' financial responsibilities.

The reviews took place at the Academy where original documents were provided. All was found to be as expected.

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GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

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

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

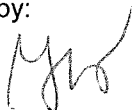
The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Premises committee and a plan to ensure continuous improvement of the system is in place.

Mission Statement

Promoting high quality education, love, care and forgiveness of others as taught to us by Jesus and our Patron Saints.

Website: <http://www.saintpeterandsaintpaulcatholicprimary.co.uk>

Approved by order of the members of the board of Governors on 16 December 2019 and signed on their behalf by:



Izabela Bialas-Lecybyl
Chair of Trustees


Joanna Seymour
Accounting Officer

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of St Peter and St Paul Catholic Primary Academy I have considered my responsibility to notify the academy board of Governors and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy, under the funding agreement in place between the academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

I confirm that I and the academy board of Governors are able to identify any material irregular or improper use of all funds by the academy, or material non-compliance with the terms and conditions of funding under the academy's funding agreement and the Academies Financial Handbook 2018.

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the board of Governors and ESFA. If any instances are identified after the date of this statement, these will be notified to the board of Governors and ESFA:

In the prior year the Academy entered into a contract with a connected party to carry out grounds maintenance services, however no statement of assurance was prepared as defined in the Academies Financial Handbook 2018. The Governor involved in the grounds maintenance contract subsequently resigned, but this matter has been reported again as the financial transactions concerned were in this and the prior year.



Joanna Seymour
Accounting Officer
Date: 16 December 2019

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
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STATEMENT OF GOVERNORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2019

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

Company law requires the Governors to prepare financial statements for each financial year. Under company law the Governors 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 Governors are required to:

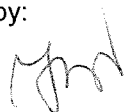
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the 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 Governors are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the board of Governors on 16 December 2019 and signed on its behalf by:



Izabela Bialas-Lecybyl

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
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**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST
PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY**

Opinion

We have audited the financial statements of St Peter and St Paul Catholic Primary Academy (the 'academy') for the year ended 31 August 2019 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

- the Governors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Governors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the academy'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.

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**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST
PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY (CONTINUED)**

Other information

The Governors are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's report thereon. Other information includes the Reference and administrative details, the Governors' report including the Strategic report, and the Governance statement. 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Governors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' 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 Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST
PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY (CONTINUED)**

Responsibilities of trustees

As explained more fully in the Governors' responsibilities statement, the Governors (who are also the directors of the academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors 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 Governors are responsible for assessing the academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the academy or to cease operations, 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: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

Use of our report

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



Mark Filsell FCA (Senior statutory auditor)

for and on behalf of

Knill James

Chartered Accountants

Statutory Auditor

One Bell Lane

Lewes

East Sussex

BN7 1JU

19 December 2019

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST PETER
AND ST PAUL CATHOLIC PRIMARY ACADEMY AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 4 August 2017 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St Peter and St Paul Catholic Primary Academy during the year 1 September 2018 to 31 August 2019 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 Peter and St Paul Catholic Primary Academy and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to St Peter and St Paul Catholic Primary Academy 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 Peter and St Paul Catholic Primary Academy and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of St Peter and St Paul Catholic Primary Academy's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of St Peter and St Paul Catholic Primary Academy's funding agreement with the Secretary of State for Education dated 30 July 2014, and the Academies Financial Handbook, extant from 1 September 2018, 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 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 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 2018 to 2019 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST PETER
AND ST PAUL CATHOLIC PRIMARY ACADEMY AND THE EDUCATION & SKILLS FUNDING AGENCY
(CONTINUED)**

Our normal audit procedures do provide assurance with regard to the regularity engagement, however some additional testing has been undertaken. This included:

- direct consideration and corroboration of evidence used to inform the Accounting Officer's statements;
- extension of procedures to assess compliance with the funding agreement and Academies Financial Handbook from those already performed as part of the audit;
- consideration of whether expenditure outside of the academies delegated authorities (if any) has received departmental approval;
- evaluation and assessment of the operating effectiveness of the general control environment and operational level which are intended to reduce the risk of irregularity;
- assessment of the adequacy of policies and procedures to ensure compliance with the framework of authorities;
- consideration of whether the absence of a control (if any) represents a breach of authorities;
- review of accounts or transactions susceptible to a greater risk of impropriety such as credit cards and cash accounts;
- extension of testing to other funds, activities conducted, consideration of propriety, or the review of high level financial controls.

Conclusion

In the course of our work, except for the matters listed below nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

As noted in the Accounting Officer's statement on regularity, propriety and compliance the Academy entered into a contract for grounds maintenance services with a connected party in the prior year. The at cost requirements of the Academies Financial Handbook 2018 were not been met with respect to this contract. As the transactions occurred in both the prior year and this year we are reporting accordingly.



Mark Filsell FCA

Knill James

One Bell Lane
Lewes
East Sussex
BN7 1JU

Date: 19 December 2019

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2019**

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from:						
Donations and capital grants	3	-	-	197,815	197,815	162,002
Charitable activities	4	-	1,198,123	-	1,198,123	1,171,077
Other trading activities	5	118,498	2,423	-	120,921	105,437
Investments	6	184	-	-	184	230
Total income		118,682	1,200,546	197,815	1,517,043	1,438,746
Expenditure on:						
Raising funds		92,811	-	-	92,811	48,361
Charitable activities	8	-	1,303,443	29,610	1,333,053	1,288,203
Total expenditure	7	92,811	1,303,443	29,610	1,425,864	1,336,564
Net income/(expenditure)		25,871	(102,897)	168,205	91,179	102,182
Transfers between funds	18	-	(5,659)	5,659	-	-
Net movement in funds before other recognised gains/(losses)		25,871	(108,556)	173,864	91,179	102,182
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	23	-	(231,000)	-	(231,000)	99,000
Net movement in funds		25,871	(339,556)	173,864	(139,821)	201,182
Reconciliation of funds:						
Total funds brought forward		260,955	(149,251)	3,851,808	3,963,512	3,762,330
Net movement in funds		25,871	(339,556)	173,864	(139,821)	201,182
Total funds carried forward		286,826	(488,807)	4,025,672	3,823,691	3,963,512

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
(A company limited by guarantee)
REGISTERED NUMBER: 08938098

BALANCE SHEET
AS AT 31 AUGUST 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	13	4,025,672	3,851,808
Current assets			
Stocks	14	1,504	2,330
Debtors	15	54,000	62,658
Cash at bank and in hand		463,033	482,294
		<u>518,537</u>	<u>547,282</u>
Creditors: amounts falling due within one year	16	(263,009)	(262,968)
Net current assets		<u>255,528</u>	<u>284,314</u>
Total assets less current liabilities		<u>4,281,200</u>	<u>4,136,122</u>
Creditors: amounts falling due after more than one year	17	(20,508)	(24,610)
Net assets excluding pension liability		<u>4,260,692</u>	<u>4,111,512</u>
Defined benefit pension scheme liability	23	(437,000)	(148,000)
Total net assets		<u><u>3,823,692</u></u>	<u><u>3,963,512</u></u>
Funds of the academy			
Restricted funds:			
Fixed asset funds	18	4,025,672	3,851,808
Restricted income funds	18	(51,807)	(1,251)
Restricted funds excluding pension asset	18	<u>3,973,865</u>	<u>3,850,557</u>
Pension reserve	18	(437,000)	(148,000)
Total restricted funds	18	<u>3,536,865</u>	<u>3,702,557</u>
Unrestricted income funds	18	<u>286,827</u>	<u>260,955</u>
Total funds		<u><u>3,823,692</u></u>	<u><u>3,963,512</u></u>

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
(A company limited by guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2019

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 20 to 47 were approved by the Governors, and authorised for issue on 16 December 2019 and are signed on their behalf, by:



Izabela Bialas-Lecybyl
Chair of Governors

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash provided by operating activities	20	184,029	255,501
Cash flows from investing activities	21	(203,290)	(184,844)
Change in cash and cash equivalents in the year		(19,261)	70,657
Cash and cash equivalents at the beginning of the year		482,294	411,637
Cash and cash equivalents at the end of the year	22	<u>463,033</u>	<u>482,294</u>

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the academy. Monetary amounts in these financial statements are rounded to the nearest £.

1.2 Going concern

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

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies (continued)

1.3 Income

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

- **Grants**

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

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

- **Donations**

Donations are recognised on a receivable basis where the receipt is probable and the amount can be reliably measured.

- **Other income**

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

1.4 Expenditure

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

- **Expenditure on raising funds**

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

- **Charitable activities**

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

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

1. Accounting policies (continued)

1.4 Expenditure (continued)

All resources expended are inclusive of irrecoverable VAT.

1.5 Taxation

The academy 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 is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.6 Tangible fixed assets

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold property	- over the term of the lease
Furniture and fixtures	- 15% reducing balance
Computer equipment	- 33% reducing balance

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.

1.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies (continued)

1.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.10 Liabilities

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

1.11 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 16 and 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.12 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies (continued)

1.13 Pensions

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

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

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

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1.14 Fund accounting

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

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

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

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The 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 23, 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 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

Depreciation

The Academy exercises judgement to determine useful lives and residual values of property, plant and equipment. The assets are depreciated down to their residual values over their estimated useful lives.

3. Income from donations and capital grants

	Restricted fixed asset funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
Capital Grants	197,815	197,815	162,002
	<hr/>	<hr/>	<hr/>
<i>Total 2018</i>	162,002	162,002	
	<hr/>	<hr/>	

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

4. Funding for the academy's educational operations

	Restricted funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
DfE/ESFA grants			
General Annual Grant (GAG)	994,831	994,831	1,010,707
Other DfE/EFA grants	180,738	180,738	136,332
	<u>1,175,569</u>	<u>1,175,569</u>	<u>1,147,039</u>
Other Government grants			
Local authority grants	16,254	16,254	13,320
	<u>16,254</u>	<u>16,254</u>	<u>13,320</u>
Other funding			
Specialist educational projects	6,300	6,300	10,718
	<u>1,198,123</u>	<u>1,198,123</u>	<u>1,171,077</u>

5. Income from other trading activities

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Charitable collections and parental contributions	16,290	2,423	18,713
Educational visits/school journeys	13,698	-	13,698
School clubs income	46,699	-	46,699
School meals and sale of materials	21,632	-	21,632
Lettings income	1,626	-	1,626
Other income	18,553	-	18,553
	<u>118,498</u>	<u>2,423</u>	<u>120,921</u>

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

	<i>Unrestricted funds 2018 £</i>	<i>Restricted funds 2018 £</i>	<i>Total funds 2018 £</i>
Charitable collections and parental contributions	10,808	1,637	12,445
Educational visits/school journeys	20,595	-	20,595
School clubs income	39,169	-	39,169
School meals and sale of materials	29,457	-	29,457
Lettings income	1,114	-	1,114
Other income	2,657	-	2,657
	<u>103,800</u>	<u>1,637</u>	<u>105,437</u>

6. Investment income

	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>	<i>Total funds 2018 £</i>
Bank interest receivable	184	184	230
	<u>184</u>	<u>184</u>	<u>230</u>

7. Expenditure

	<i>Staff Costs 2019 £</i>	<i>Premises 2019 £</i>	<i>Other 2019 £</i>	<i>Total 2019 £</i>
Expenditure on fundraising trading activities:				
Direct costs	41,229	-	51,582	92,811
Educational operations:				
Direct costs	943,019	-	72,205	1,015,224
Allocated support costs	137,232	64,708	115,889	317,829
	<u>1,121,480</u>	<u>64,708</u>	<u>239,676</u>	<u>1,425,864</u>

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

	<i>Staff Costs</i> 2018 £	<i>Premises</i> 2018 £	<i>Other</i> 2018 £	<i>Total</i> 2018 £
Expenditure on fundraising trading activities:				
Direct costs	-	-	48,361	48,361
Educational operations:				
Direct costs	916,725	-	82,310	999,035
Allocated support costs	144,166	48,224	96,778	289,168
	<u>1,060,891</u>	<u>48,224</u>	<u>227,449</u>	<u>1,336,564</u>

8. Analysis of expenditure by activities

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £
Educational operations	<u>1,015,224</u>	<u>317,829</u>	<u>1,333,053</u>

	<i>Activities undertaken directly 2018 £</i>	<i>Support costs 2018 £</i>	<i>Total funds 2018 £</i>
Educational operations	<u>999,035</u>	<u>289,168</u>	<u>1,288,203</u>

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2019 £	<i>Total funds 2018 £</i>
LGPS - net interest cost	2,000	4,000
Staff costs	137,232	144,167
Recruitment and support	13,143	5,924
Maintenance of premises and equipment	21,933	3,092
Cleaning	19,841	22,550
Rent & rates	5,265	5,285
Energy costs	17,669	17,297
Insurance	13,854	5,451
Security and transport	650	693
Catering	38,527	40,724
Bank interest and charges	997	1,654
Other support costs	11,877	12,687
Professional fees	32,113	22,933
Internal audit fees	2,225	2,400
Governors expenses	504	311
	<u>317,829</u>	<u>289,168</u>

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2019 £	<i>2018 £</i>
Operating lease rentals	1,395	1,395
Depreciation of tangible fixed assets	29,610	27,711
Auditor's remuneration - audit	8,250	8,000
Auditor's remuneration - other services	2,420	1,625
Internal audit costs	<u>2,225</u>	<u>2,400</u>

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

10. Staff costs

a. Staff costs

Staff costs during the year were as follows:

	2019 £	2018 £
Wages and salaries	821,023	781,873
Social security costs	72,215	63,734
Pension costs	211,956	178,189
	<u>1,105,194</u>	<u>1,023,796</u>
Agency staff costs	16,286	37,095
	<u>1,121,480</u>	<u>1,060,891</u>

b. Staff numbers

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

	2019 No.	2018 No.
Teaching	14	14
Support	25	21
	<u>39</u>	<u>35</u>

c. Higher paid staff

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

	2019 No.	2018 No.
In the band £70,001 - £80,000	<u>1</u>	<u>1</u>

d. Key management personnel

The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £229,473 (2018 - £188,499).

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11. Governors' remuneration and expenses

One or more Governors has been paid remuneration or has received other benefits from an employment with the academy. The principal and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Governors' remuneration and other benefits was as follows:

		2019 £	2018 £
Joanna Seymour, Principal	Remuneration	70,000 - 75,000	75,000 - 80,000
	Pension contributions paid	10,000 - 15,000	10,000 - 15,000
Kirsty Everson	Remuneration	50,000 - 55,000	55,000 - 60,000
	Pension contributions paid	5,000 - 10,000	5,000 - 10,000

During the year ended 31 August 2019, expenses totalling £NIL were reimbursed or paid directly to Governor's (2018 - £48 to 1 Governor).

12. Governors' and Officers' insurance

In accordance with normal commercial practice, the academy has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2019 was £56 (2018 - £56). The cost of this insurance is included in the total insurance cost.

13. Tangible fixed assets

	Long-term leasehold property £	Furniture and fixtures £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2018	3,878,646	35,567	17,988	3,932,201
Additions	195,907	1,026	6,541	203,474
At 31 August 2019	4,074,553	36,593	24,529	4,135,675
Depreciation				
At 1 September 2018	58,594	10,447	11,352	80,393
Charge for the year	21,408	3,923	4,279	29,610
At 31 August 2019	80,002	14,370	15,631	110,003

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13. Tangible fixed assets (continued)

	Long-term leasehold property £	Furniture and fixtures £	Computer equipment £	Total £
Net book value				
At 31 August 2019	<u>3,994,551</u>	<u>22,223</u>	<u>8,898</u>	<u>4,025,672</u>
At 31 August 2018	<u>3,820,052</u>	<u>25,120</u>	<u>6,636</u>	<u>3,851,808</u>

Included in leasehold property is land valued at £1,377,000 (2018 - £1,377,000) which is not depreciated.

The ESFA notified the Academy Trust of the Fair Value of the land and buildings occupied. As of the 21 July 2015 this value was £2,519,000; divided as land £1,377,000 and buildings £1,142,000.

The Academy Trust company occupies buildings which are owned by its Trustee; The Southwark Roman Catholic Diocesan Corporation. The Trustee is the provider of the academy on the same basis as when the academy was a maintained school. The Academy Trust occupies the buildings under a mere licence. This continuing permission of their Trustee is pursuant to, and subject to, the Trustee's charitable objects, and is part of the Catholic Church's contribution since 1847 to provide State funded education in partnership with the State. The licence delegates aspects of the management of the buildings to the Academy Trust for the time being, but does not vest any rights over the buildings in the Academy Trust. The Trustee has given an undertaking to the Secretary of State that they will not give the Academy Trust less than two years notice to terminate the occupation of the buildings. Having considered the substance of the transaction and reviewed best practice as detailed in the Academies Accounts Direction 2018-19, the Governors have decided the full value of the assets should continue to be included on the balance sheet.

14. Stocks

	2019 £	2018 £
Goods for resale	<u>1,504</u>	<u>2,330</u>

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15. Debtors

	2019 £	2018 £
Due within one year		
Trade debtors	1,132	1,337
Prepayments and accrued income	30,293	42,934
VAT recoverable	22,575	18,387
	<u>54,000</u>	<u>62,658</u>

16. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	123,075	103,893
Other taxation and social security	38,971	38,301
Other creditors	4,102	4,102
Accruals and deferred income	96,861	116,672
	<u>263,009</u>	<u>262,968</u>

	2019 £	2018 £
Deferred income at 1 September 2018	17,355	20,717
Resources deferred during the year	13,940	17,355
Amounts released from previous periods	(17,355)	(20,717)
	<u>13,940</u>	<u>17,355</u>

At the balance sheet date the academy was holding funds received in advance in respect of PGL and school journeys.

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

	2019	2018
	£	£
Other creditors	20,508	24,610
	<u><u>20,508</u></u>	<u><u>24,610</u></u>

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

	2019	2018
	£	£
Payable or repayable by instalments	4,102	8,203
	<u><u>4,102</u></u>	<u><u>8,203</u></u>

Included within other creditors is a loan of £24,610 from the Education and Skills Funding Agency which is provided interest-free and is repayable by six monthly instalments over eight years.

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18. Statement of funds

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General Funds	260,955	118,683	(92,811)	-	-	286,827
Restricted general funds						
General Annual Grant (GAG)	(1,251)	1,200,546	(1,245,443)	(5,659)	-	(51,807)
Pension reserve	(148,000)	-	(58,000)	-	(231,000)	(437,000)
	<u>(149,251)</u>	<u>1,200,546</u>	<u>(1,303,443)</u>	<u>(5,659)</u>	<u>(231,000)</u>	<u>(488,807)</u>
Restricted fixed asset funds						
Restricted fixed assets fund	3,851,808	197,815	(29,610)	5,659	-	4,025,672
Total Restricted funds	<u>3,702,557</u>	<u>1,398,361</u>	<u>(1,333,053)</u>	<u>-</u>	<u>(231,000)</u>	<u>3,536,865</u>
Total funds	<u><u>3,963,512</u></u>	<u><u>1,517,044</u></u>	<u><u>(1,425,864)</u></u>	<u><u>-</u></u>	<u><u>(231,000)</u></u>	<u><u>3,823,692</u></u>

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

Unrestricted funds represent those resources which may be used towards meeting any of the charitable objects of the Academy Trust at the discretion of the Governors. The transfer to GAG funds represents an allocation of expenditure against the unrestricted fund.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Department for Education where the asset acquired or created is held for a specific purpose. Transfers to the restricted fixed asset fund represent fixed assets purchased from GAG funds.

Restricted general funds comprise all other restricted funds and include grants from the Department for Education and Local Authority which must be applied for educational purposes.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2019.

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18. Statement of funds (continued)

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

	<i>Balance at 1 September 2017 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2018 £</i>
Unrestricted funds						
General Funds	205,286	104,030	(48,361)	-	-	260,955
Restricted general funds						
General Annual Grant (GAG)	72,599	1,171,077	(1,221,855)	(23,072)	-	(1,251)
Charitable collections	-	1,637	(1,637)	-	-	-
Pension reserve	(210,000)	-	(37,000)	-	99,000	(148,000)
	<u>(137,401)</u>	<u>1,172,714</u>	<u>(1,260,492)</u>	<u>(23,072)</u>	<u>99,000</u>	<u>(149,251)</u>
Restricted fixed asset funds						
Restricted fixed assets fund	3,694,445	162,002	(27,711)	23,072	-	3,851,808
Total Restricted funds	<u>3,557,044</u>	<u>1,334,716</u>	<u>(1,288,203)</u>	<u>-</u>	<u>99,000</u>	<u>3,702,557</u>
Total funds	<u>3,762,330</u>	<u>1,438,746</u>	<u>(1,336,564)</u>	<u>-</u>	<u>99,000</u>	<u>3,963,512</u>

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19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	4,025,672	4,025,672
Current assets	518,537	-	-	518,537
Creditors due within one year	(231,710)	(31,299)	-	(263,009)
Creditors due in more than one year	-	(20,508)	-	(20,508)
Provisions for liabilities and charges	-	(437,000)	-	(437,000)
Total	286,827	(488,807)	4,025,672	3,823,692

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2018 £</i>	<i>Restricted funds 2018 £</i>	<i>Restricted fixed asset funds 2018 £</i>	<i>Total funds 2018 £</i>
Tangible fixed assets	-	-	3,851,808	3,851,808
Current assets	260,954	286,328	-	547,282
Creditors due within one year	-	(262,969)	-	(262,969)
Creditors due in more than one year	-	(24,610)	-	(24,610)
Provisions for liabilities and charges	-	(148,000)	-	(148,000)
Total	260,954	(149,251)	3,851,808	3,963,511

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

	2019 £	2018 £
Net income for the year (as per Statement of financial activities)	91,179	102,182
Adjustments for:		
Depreciation	29,610	27,711
Interest receivable	(184)	(230)
Defined benefit pension scheme cost less contributions payable	54,000	31,000
Defined benefit pension scheme finance cost	2,000	4,000
Decrease/(increase) in stocks	826	(356)
Decrease/(increase) in debtors	8,658	(17,438)
(Decrease)/increase in creditors	(4,060)	106,632
Defined benefit pension scheme administration expenses	2,000	2,000
Net cash provided by operating activities	184,029	255,501

21. Cash flows from investing activities

	2019 £	2018 £
Dividends, interest and rents from investments	184	230
Purchase of tangible fixed assets	(203,474)	(185,074)
Net cash used in investing activities	(203,290)	(184,844)

22. Analysis of cash and cash equivalents

	2019 £	2018 £
Cash in hand	463,033	482,294
Total cash and cash equivalents	463,033	482,294

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23. Pension commitments

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

Contributions amounting to £18,564 were payable to the schemes at 31 August 2019 (2018 - £18,658) and are included within creditors.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers 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. 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 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

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23. Pension commitments (continued)

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 September 2019.

The employer's pension costs paid to TPS in the year amounted to £89,065 (2018 - £76,678).

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 has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £84,000 (2018 - £85,000), of which employer's contributions totalled £67,000 (2018 - £68,000) and employees' contributions totalled £ 17,000 (2018 - £17,000). The agreed contribution rates for future years are 24.3 per cent for employers and 6.1 per cent for employees.

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

Principal actuarial assumptions

	2019	2018
	%	%
Rate of increase in salaries	3.5	3.7
Rate of increase for pensions in payment/inflation	2.1	2.3
Discount rate for scheme liabilities	1.8	2.9
Inflation assumption (CPI)	2.0	2.2

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

	2019	2018
	Years	Years
<i>Retiring today</i>		
Males	23.5	23.4
Females	26.2	26.1
<i>Retiring in 20 years</i>		
Males	26.2	26.1
Females	28.5	28.4

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23. Pension commitments (continued)

Sensitivity analysis

	2019	<i>2018</i>
	£000	<i>£000</i>
Discount rate +0.1%	995	<i>596</i>
Mortality assumption - 1 year increase	1,046	<i>627</i>
CPI rate +0.1%	1,063	<i>637</i>
Pay growth +0.1%	1,033	<i>620</i>

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

	At 31 August 2019 £	<i>At 31 August 2018 £</i>
Equities	374,000	<i>304,000</i>
Government bonds	38,000	<i>30,000</i>
Other bonds	37,000	<i>30,000</i>
Property	25,000	<i>16,000</i>
Cash and other liquid assets	7,000	<i>-</i>
Other	110,000	<i>90,000</i>
Total market value of assets	591,000	<i>470,000</i>

The actual return on scheme assets was £39,000 (2018 - £34,000).

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

	2019 £	<i>2018 £</i>
Current service cost	(87,000)	<i>(99,000)</i>
Past service cost	(34,000)	<i>-</i>
Interest income	15,000	<i>10,000</i>
Interest cost	(17,000)	<i>(14,000)</i>
Administrative expenses	(2,000)	<i>(2,000)</i>
Total amount recognised in the Statement of financial activities	(125,000)	<i>(105,000)</i>

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23. Pension commitments (continued)

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

	2019 £	2018 £
At 1 September	618,000	550,000
Current service cost	87,000	99,000
Interest cost	17,000	14,000
Employee contributions	17,000	17,000
Actuarial losses/(gains)	255,000	(75,000)
Benefits paid	-	13,000
Past service costs	34,000	-
At 31 August	1,028,000	618,000

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

	2019 £	2018 £
At 1 September	470,000	340,000
Interest income	15,000	10,000
Actuarial gains	24,000	24,000
Employer contributions	67,000	68,000
Employee contributions	17,000	17,000
Benefits paid	-	13,000
Administration expenses	(2,000)	(2,000)
At 31 August	591,000	470,000

24. Operating lease commitments

At 31 August 2019 the academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	1,395	1,395
Later than 1 year and not later than 5 years	581	1,976
	1,976	3,371

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25. Members' liability

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

26. Related party transactions

Owing to the nature of the academy's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a governors has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy's financial regulations and normal procurement procedures.

Mr T Alexander, husband of Christina Alexander, governor, is employed by the academy. T Alexander's appointment was made in open competition and C Alexander was not involved in the decision-making process regarding appointment. T Alexander is paid within the normal pay scale for his role and receives no special treatment as a result of his relationship to a governor.

The academy contracted Fix and Trim, a business owned and controlled by P Dowling, a trustee until 31 October 2018, to undertake grounds maintenance services. No amounts have been paid under this contract in either the previous year or the year under review. However payments amounting to £1,043 (2018 - £3,004) were made to Fix and Trim on an ad-hoc basis, not under contract, for grounds maintenance services.