



**ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST**

**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2019**

# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Members

- Diocese of Middlesbrough Rt Rev Bishop T P Draney
- Diocese of Middlesbrough J C Fleming

### Trustees

P A Fearnley ((Chair) Non-Foundation) \*  
L Dyas ((Vice Chair) Non-Foundation) \*  
C Cuthill (Foundation)  
M Davidson (Foundation)\*  
A Ward (Foundation)  
Father W Massie (Foundation)  
T Davison (Non-Foundation) \*  
M Gallagher (Foundation)  
M Chorlton (Foundation) (Resigned 31<sup>st</sup> January 2019)  
Father P Dowling (Foundation) (Resigned 31<sup>st</sup> August 2019)

\*Members of the Finance, Assets and Audit Committee

### Chief Executive Officer

G Fitzpatrick

### Executive leadership team/senior management team

- Chief Executive Officer (Accounting Officer) G Fitzpatrick
- Chief Operating Officer Primary K Siedle
- Chief Operating Officer Secondary D Walmsley
- Deputy Head Secondary D Perry
- Executive Head of Primary M Ryan
- Chief Financial Officer S Teasdale

### Company registration number

09023802 (England and Wales)

### Principal and registered office

St Mary's College  
Cranbrook Avenue  
Hull  
HU6 7TN

### Academies operated

Endsleigh Holy Child Voluntary Catholic Academy  
St Mary Queen of Martyrs Voluntary Catholic Academy  
St Richard's Voluntary Catholic Academy  
St Vincent's Voluntary Catholic Academy  
St Charles' Voluntary Catholic Academy  
St Anthony's Voluntary Catholic Academy  
St Thomas More Voluntary Catholic Academy  
St Mary's College Voluntary Catholic Academy

### Location

Hull  
Hull  
Hull  
Hull  
Hull  
Hull  
Hull  
Hull

### Head of School

L Windeler  
A McIntosh  
C Coldham  
P Donnelly  
K Seidle  
N Curran  
J Eley  
G Fitzpatrick

# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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### **Independent auditor**

RSM UK Audit LLP  
1st Floor  
Two Humber Quays  
Wellington Street West  
Hull  
HU1 2BN

### **Bankers**

Lloyds Bank  
Hull City Centre Branch  
Grand Buildings  
Jameson Street  
Hull  
HU1 3JX

### **Solicitors**

Rollits LLP  
Citadel House  
58 High Street  
Hull  
HU1 3JX

# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## TRUSTEES' REPORT

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The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2019. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The Trust operates 7 primary Academies and 1 secondary Academy in Hull. Its academies have a combined pupil capacity of 3,390 and had a roll of 3,921 in the school census on 5 October 2019.

St Cuthbert's Roman Catholic Academy Trust is for pupils aged 3 to 19, in the Diocese of Middlesbrough. The Academy Trust is the Admissions Authority and is responsible for determining the Admission Arrangements, Admissions and administering Independent Appeals. The ethos of St Cuthbert's is built on the traditions of the Roman Catholic Church. All parents applying for a place are asked to respect the ethos and its importance to the Academy Trust community. Applications must be made on the Local Authority Common Application Form. All forms must be returned by the closing date set by the Local Authority. Any applications received after the closing date will be accepted but considered only after those received by the closing date. Where there are insufficient places available to meet all parental preferences, priority will be given to applications in line with the over subscription criteria which can be found on each school's website. The admissions over subscription criteria will be applied on an equal preference basis.

### STRUCTURE, GOVERNANCE AND MANAGEMENT

#### Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The Board act as Trustees for the charitable activities of St Cuthbert's Roman Catholic Academy Trust and are also the Directors of the charitable company for the purposes of company law. The charitable company is known as St Cuthbert's Roman Catholic Academy Trust.

Details of the Trustees who served throughout the year, and up to date signing of the accounts, are included in the Reference and Administrative details on page 1.

The Academy Trust operated four primary Academies until 01 October 2017 when the Academy Trust expanded to operate one secondary Academy and seven primary Academies during the previous reporting period. This has remained unchanged for this reporting period.

- St Mary Queen of Martyrs Voluntary Catholic Academy (P)
- Endsleigh Holy Child Voluntary Catholic Academy (P)
- St Vincent's Voluntary Catholic Academy (P)
- St Richard's Voluntary Catholic Academy (P)
- St Mary's College Voluntary Catholic Academy (S) as from 01 October 2017
- St Anthony's Catholic Voluntary Academy (P) as from 01 October 2017
- St Thomas More Voluntary Catholic Academy (P) as from 01 October 2017
- St Charles' Voluntary Catholic Academy (P) as from 01 October 2017

(P) = primary school

(S) = secondary school

#### 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.

# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

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### Trustees' Indemnities

The Academy Trust through its Articles has indemnified its Trustees to the fullest extent permissible by law. During the period the Academy Trust has also purchased and maintained liability insurance for its Trustees. The insurance provides cover up to £5,000,000 on any one claim.

### Method of Recruitment and Appointment or Election of Trustees

The company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Academy Trust shall have the following Directors being not less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum. Non-foundation Directors are appointed or removed by the Foundation Directors.

Foundation Directors are appointed or removed by the Bishop and should always exceed the number of Non-foundation Directors by a minimum of two.

### Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for the new Trustees will depend on their existing experience and the Diocesan Skills Audit to ensure that all essential skills are covered by the Board and training provided as required. Where necessary induction will provide training on charity and educational legal and financial matters. All training needs will be coordinated by the professional clerking service in conjunction with accredited governor training providers and expert legal and financial partners. All new Trustees will meet with the CEO and also be given a tour of the Academies and the chance to meet with staff and students. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as a Trustee.

As there are normally only one or two new Trustees a year, induction is specifically tailored to the individual.

### Organisational Structure

The Governance / Leadership of the Trust has five levels:

1. The Members
2. The Board of Trustees
3. Local Cluster Boards
4. Executive Leadership Team
5. Individual Academy Senior Leadership Teams.

The aim of this structure is to ensure that decisions are made with appropriate involvement at the right level. The Trust Board is responsible for the strategic direction of the Trust and has overall responsibility for standards, finance, audit, staffing and estate. The Trust has a Finance, Assets and Audit Committee to support all obligations and responsibilities outlined in The Academies Financial Handbook.

The Trustees are responsible for shaping general policy; setting an annual budget plan aligned to the agreed Trust priorities; monitoring the Trust by use of results and budgets; capital expenditure; making major decisions about the Executive Leadership of the Trust and Senior Leadership appointments.

The Local Cluster Boards are sub-committee bodies to the Trust Board. They have delegated responsibilities for the Catholic Life of the School and Safeguarding.

The Executive Leadership Team comprises the Chief Executive Officer (CEO), Chief Operating Officer Secondary (COO S), Chief Operating Officer Primary (COO P), Secondary Deputy Head, Primary Executive Head and Chief Financial Officer (CFO). They are responsible for the operational aspects of running the Trust including the authorisation of spending within agreed budgets and according to delegated authorities and the appointment of staff.

The Chief Executive Officer is the Accounting Officer.

# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### Arrangements for Setting Pay and Remuneration of Key Management Personnel

The key management personnel identified with the Trust are the CEO, and COO's. The Trust appoints a special Pay Committee to determine the pay ranges for these key positions, in line with any national guidance on executive salary setting, level of responsibility, local context and challenge, any available benchmarking information and current market conditions for competitive recruitment. The CFO has received executive pay setting training delivered by ASCL in 2017, in order to support the Pay Committee.

Performance management of the CEO is undertaken by external, independent reviewers to ensure transparency and impartiality.

### Trade union facility time

The Trade Union (Facility Time Publication Requirements) Regulations 2017 require the Academy to publish information on facility time arrangements for trade union officials at the Academy.

#### Relevant union officials

Numbers of employees who were union officials during the relevant period	FTE employee number
5	4.76

#### Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1-50%	5
51-99%	-
100%	-

#### Percentage of pay bill spent on facility time

Total cost of facility time	£1,500
Total pay bill	£14,116,718
Percentage of total bill spent on facility time	0.01056%

#### Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time	0%
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### Related Parties and Co-operation with other Organisations

St Cuthbert's Roman Catholic Academy Trust is part of the Diocese of Middlesbrough and works closely with the Director of Education and all Catholic Academies within the Diocese. The Trust continues to work with all potential feeder primary schools in the local area that are not part of the formal governance arrangement.

Trustees are drawn from the local community and the Diocese, and from time to time it is possible that the Academy will enter into transactions with organisations in which a Trustee has an interest. All such transactions are reflected in the Trusts' Register of Business Interests. These are duly considered by the Trust on a regular basis to ensure that all such transactions are in line with the Academies Financial Handbook guidelines.

The Trust has control of St Mary's College Sports Development Company which was created for the joint purpose of providing high quality sports facilities to St Mary's College and the local community.

The Trust continues to work in partnership with Hull Collaborative Academies Trust (HCAT), which is not part of the formal governance arrangement, on a number of local, regional and national initiatives. This allows the Trust to develop collaborative learning strategies to support some of the most challenging schools in the city. In addition, the Trust has entered into a number of service level agreements with HCAT to provide certain specialist services.

The Trust is working in partnership with Hull City Council to deliver a significant change to its secondary Academy admissions which will increase from 300 per year group (Yr. 7 to Yr. 11), to 360 commencing September 2019. To support the Trust to expand its secondary places, the Local Authority will fund a new replacement building which will provide general and specialist teaching spaces and supporting accommodation. In addition, it will fund improvements to essential services such as catering and dining, parking and the transport plan. All necessary Department for Education and Local Authority permissions have been granted and works have commenced during this reporting period. The building is scheduled to be handed over to The Diocese in two phases. Phase One is due September 2020 and Phase Two is due October 2020.



# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

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### Related Parties and Co-operation with other Organisations (continued)

The Trust Board and its committees must meet regularly enough to discharge their responsibilities under their Articles of Association, funding agreement and the Academies Financial Handbook, to ensure robust governance and effective financial management arrangements. Board meetings take place at least three times a year and Finance, Assets and Audit Committee meets at least six times a year. Business is only conducted only when the Board or Committees are quorate.

### Objectives and Activities

#### Objects and aims

The principal object and activity of the charitable company is to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing Catholic Schools designated as such which shall offer a broad and balanced curriculum and shall be conducted in accordance with the principles, practices and tenets of the Catholic Church and all Catholic canon law applying thereto including any Trust deed governing the use of land used by the Academy both generally and in particular in relation to arranging for religious education and daily acts of worship and having regard to any advice and following directives issued by the Diocesan Bishop.

To promote for the benefit of individuals living in the areas served by the Academies and the surrounding areas who have need by reason of their age, infirmity or disability, financial hardship or social and economic circumstances or for the public at large the provision of facilities for recreation or other leisure time activities in the interests of social welfare and with the objective of improving the condition of the life of the said individuals.

St Cuthbert's Roman Catholic Academy Trust vision statement is:

**"Ordinary people - working together - achieving extraordinary things".**

The Trust believes that people have an unbelievable capacity to do great things and aims to provide rich and wide-ranging opportunities for people to achieve more than they ever thought possible.

#### Values

As a Trust, at the heart of our Christian service is to welcome and value each individual as equal, regardless of nationality, gender, race, colour, sexuality or creed. We pride ourselves on our exceptional standards of personal pastoral care, rooted in our Christian tradition and values of kindness, support, peace, justice, forgiveness and joy. Our outlook and ambition is international and inclusive.

#### Children are our Priority

We aim to place children at the centre of all decisions and activities, encouraging them to find excitement in their learning and to live life to the full. We do not settle for average. We aim to relentlessly focus on our core business which is to promote student's learning, welfare and achievement.

#### World Class

Without apology, we are committed to excellence and to build on the sustained world class successes of St Mary's College. Without excuses we find ways to help every student to feel that they are safe, belong and are successful in their learning. Teachers and support staff want to be the very best they can be.

#### Seamless Transition

Inclusive, our curriculum should be 3-19 understood, 3-19 planned, 3-19 relevant, 3-19 rigorous and 3-19 progressing. Our curriculum will deliver 3-19 outstanding outcomes and prepare all our young people exceptionally well for life thereafter.

#### Partnership

We build strong partnerships within our schools and with organisations that share our commitment to world class standards. Learning with and from others of good will, we will aim to always improve, to give our very best and expect it from others. Alongside others, we serve the common good and actively support system reform so that all children might thrive.

**"In every here and now we are ready to express our hope"**

# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

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### Objectives, Strategies and Activities

The Trust has four main strategic aims for each of its Academies as listed below:

#### Strategic Aim 1: Outcomes

All Academies are enabled to reach good or better outcomes.

##### Key Areas:

- a. To improve standards in Reading, Writing and Mathematics so that year on year more pupils achieve and exceed age related expectations, and progress exceeds that made by pupils with similar starting points (Primary Specific)
- b. To secure high quality teaching and learning of a rich and broad curriculum in each Academy
- c. To ensure that groups at risk of underachieving make good or better progress as required
- d. To strengthen the Catholic ethos/distinctiveness of our academies.

#### Strategic Aim 2: Academy Improvement

To establish a self-sustaining, system led, collaborative approach to improvement that enables rapid improvement where required.

##### Key Areas:

- a. To secure an accurate and robust self-evaluation process.
- b. To develop school to school support in line with the Trust Self Evaluation process.
- c. To build further links with Teaching Schools and training providers.

#### Strategic Aim 3: Leadership

To ensure high quality leadership and governance at Trust Board, Local Clusters and Academy level.

##### Key Areas:

- a. To develop a fully functioning, high level Trust Board that represents the full range of skills required.
- b. To embed high quality governance at the local level, focussed clearly on raising standards.
- c. To empower leaders to lead the improvement journey within and beyond their Academies, holding professionals to account for their outcomes.

#### Strategic Aim 4: Business

To provide high quality financial direction and leadership of the Trust to achieve financial stability, explore growth opportunities and develop revenue streams.

##### Key Areas:

- a. To deliver financial stability through the 3-year financial plan.
- b. To maintain measured and systematic growth in recruitment.
- c. To deliver high quality central services to the Trust and other education partners.

### Public Benefit

The Trust provides educational services to children attending its academies. The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance provided by the Charity Commission.

The primary purpose of St Cuthbert's Roman Catholic Academy Trust is the advancement of education within Catholic Schools in Hull. To this end, it now runs eight Academy schools aspiring towards the highest possible standards for 3,921 students aged 3-19. The public good is inextricably linked to this purpose through the provision of educational activities and extracurricular activities to the local communities served. The Academy Trust aims to maximise each student's potential and to develop principled, informed, open-minded and confident citizens who respect the beliefs of others and who make a positive contribution to society.

The Trust has recently agreed to support Hull City Council with a critical shortage in secondary places and will be expanding its admission numbers by 300 students from September 19 – September 23, thus being able to deliver the highest possible educational standards to more children across the city.

In addition, the Trust's leadership make a regular and significant contribution to the shaping and implementation of key local, regional and national educational strategies such as SEND, Secondary School Improvement and High Quality and Inclusive PE.



# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

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### STRATEGIC REPORT

#### Achievements and Performance

Original Trust formed: 2 May 2014 (St Mary Queen of Martyrs', Endsleigh & St Vincent's)

St Richard's joined: 1 January 2015

Date of Trust expansion to current model: 1 October 2017

St Cuthbert's Roman Catholic Academy Trust (MAT) was established in 2014, initially consisting of three primary schools. St Vincent's had been placed in Special Measures and the Diocese sought to form a Trust to support the school from within its family of schools. Endsleigh and St Mary Queen of Martyrs joined the Trust as sponsors of St Vincent's. St Richard's joined the Trust one year later. The governors of St Mary's College and the three other primaries opted not to join the Trust at this stage.

Following significant issues in relation to the finances and standards within the Trust, in the spring of 2016 the Diocese approached St Mary's College (SMC) to seek support for the Trust and to offer new terms and conditions for the governance, leadership and management of the organisation based on long established successful practice at SMC which had been judged outstanding by Ofsted in 2010 and had since been consistently ranked in the top 100 schools in the UK by the DFE.

Interim management arrangements for the Trust were established from September 2016. A new leadership team have instigated a complete overhaul of school leadership, governance and business management. Whilst there has been significant tension in some local school communities, new models have been agreed and implemented successfully. All seven primary schools have new heads and leadership teams. Subject Leaders in Education (SLE) and school improvement team colleagues are deployed as appropriate. Further recruitment to these roles is imminent.

An expanded Trust was officially formed with effect from 1 October 2017.

Four schools were inspected by Ofsted in 2017. Three were judged good and one requires improvement.

Centralised services in relation to Finance, HR, Safeguarding, IT and Estate are firmly established and have seen major improvements to service quality, financial control and viability. They offer a highly skilled, specialist workforce that delivers good value for the Trust as employment costs are lower than contracting the services in. It also offers the Trust an income generation opportunity as any capacity can be traded outside of the Trust.

SMC was awarded Teaching School status in September 2017 and a World Class Schools Quality Mark in December 2017. It has operated successfully for seven years in a variety of National Support School activities in the area.

The immediate focus was to establish in all primary schools an understanding of and a commitment to a collective vision which puts children first, adopts a 'no excuses' culture in relation to pupil outcomes and relentlessly promotes high quality teaching.

During this reporting period the Trust has incurred significant capital expenditure to support two major projects as follows:

- ICT Integration and Harmonisation across the Trust – this was essential to ensure that all Academies could access high quality IT infrastructure services equally across the Trust to keep the buildings safe, secure and running efficiently. The upgraded infrastructure would also enable a significant improvement in IT services supporting teaching and learning across the Trust.
- St Mary's College Expansion – this public benefit project has required a considerable amount of remodelling to ensure that increased admissions could be accommodated from September 2019 in advance of the new building asset being handed over in September/October 2020.

SMC has executive leadership over another secondary school, The Marvell College, since 2013. The Marvell College was judged "Good" during an Ofsted inspection in June 2019, having progressed from "Special Measures".

Presently, no further expansion is planned, as all Hull Catholic Schools are now included in the Trust. However, there may be some opportunity for growth in the East Riding in the future.

# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### Trust Performance Summary

#### EYFS Outcomes 2018/19

#### Good Level of Development

Primary School	Cohort total	No. GLD	% GLD
Endsleigh Holy Child V.C Academy	41	30	73.2
St Anthony's Catholic Primary School	26	17	65
St Charles' V.C Academy	26	16	62
St Mary Queen of Martyrs V.C Academy	45	29	64.4
St Richard's V.C Academy	43	26	60
St Thomas More V.C. Primary School	24	17	70.8
St Vincent's V.C Academy	29	14	48
<b>St Cuthbert's Roman Catholic Academy Trust</b>	<b>234</b>	<b>149</b>	<b>63.6</b>

#### Key Stage 1 Outcomes 2018/19 - Reading

#### Expected

Primary School	Cohort total	No. Expected	% Expected
Endsleigh Holy Child V.C Academy	47	35	74
St Anthony's Catholic Primary School	30	15	50
St Charles' V.C Academy	30	19	63
St Mary Queen of Martyrs V.C Academy	39	30	76.9
St Richard's V.C Academy	58	41	70
St Thomas More V.C. Primary School	23	20	87
St Vincent's V.C Academy	30	24	70
<b>St Cuthbert's Roman Catholic Academy Trust</b>	<b>257</b>	<b>184</b>	<b>72.1</b>
<b>National 2018</b>			<b>75</b>

#### Greater Depth (there are currently no national figures for Greater Depth)

Primary School	Cohort total	No. Greater Depth	% Greater Depth
Endsleigh Holy Child V.C Academy	47	13	28
St Anthony's Catholic Primary School	30	7	23
St Charles' V.C Academy	30	0	0
St Mary Queen of Martyrs V.C Academy	39	11	28.2
St Richard's V.C Academy	58	2	3.6
St Thomas More V.C. Primary School	23	7	30.4
St Vincent's V.C Academy	30	8	27
<b>St Cuthbert's Roman Catholic Academy Trust</b>	<b>257</b>	<b>48</b>	<b>18.7</b>

# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### Writing

#### Expected

Primary School	Cohort total (inc those with no KS1 Data)	No. Expected	% Expected
Endsleigh Holy Child V.C Academy	47	32	68
St Anthony's Catholic Primary School	30	18	60
St Charles' V.C Academy	30	18	60
St Mary Queen of Martyrs V.C Academy	39	26	66.7
St Richard's V.C Academy	58	37	64
St Thomas More V.C. Primary School	23	16	69.6
St Vincent's V.C Academy	30	18	60
<b>St Cuthbert's Roman Catholic Academy Trust</b>	<b>257</b>	<b>165</b>	<b>64.2</b>
<b>National 2018</b>			<b>70</b>

#### Greater Depth (there are currently no national figures for Greater Depth)

Primary School	Cohort total (inc those with no KS1 Data)	No. Greater Depth	% Greater Depth
Endsleigh Holy Child V.C Academy	47	11	23
St Anthony's Catholic Primary School	30	3	10
St Charles' V.C Academy	30	0	0
St Mary Queen of Martyrs V.C Academy	39	4	10.3
St Richard's V.C Academy	58	2	3.6
St Thomas More V.C. Primary School	23	4	17.4
St Vincent's V.C Academy	30	2	7
<b>St Cuthbert's Roman Catholic Academy Trust</b>	<b>257</b>	<b>26</b>	<b>10.1</b>

### Maths

#### Expected

Primary School	Cohort total (inc those with no KS1 Data)	No. Expected	% Expected
Endsleigh Holy Child V.C Academy	47	35	74
St Anthony's Catholic Primary School	30	18	60
St Charles' V.C Academy	30	19	63
St Mary Queen of Martyrs V.C Academy	39	32	81
St Richard's V.C Academy	58	41	70
St Thomas More V.C. Primary School	23	18	78.3
St Vincent's V.C Academy	30	20	67
<b>St Cuthbert's Roman Catholic Academy Trust</b>	<b>257</b>	<b>183</b>	<b>71.2</b>
<b>National 2018</b>			<b>76</b>

# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### Maths

**Greater Depth** (there are currently no national figures for Greater Depth)

Primary School	Cohort total (inc those with no KS1 Data)	No. Greater Depth	% Greater Depth
Endsleigh Holy Child V.C Academy	47	13	28
St Anthony's Catholic Primary School	30	5	17
St Charles' V.C Academy	30	0	0
St Mary Queen of Martyrs V.C Academy	39	8	20.5
St Richard's V.C Academy	58	2	3.6
St Thomas More V.C. Primary School	23	5	21.7
St Vincent's V.C Academy	30	4	13
<b>St Cuthbert's Roman Catholic Academy Trust</b>	<b>257</b>	<b>37</b>	<b>14.4</b>

### Year 1 / 2 Outcomes 2018/19

#### Phonics Screening Check

##### Expected

Primary School	Cohort total (inc those with no KS1 Data)	Passed	% Passed
Endsleigh Holy Child V.C Academy	38	32	84.2
St Anthony's Catholic Primary School	30	24	80
St Charles' V.C Academy	28	24	86
St Mary Queen of Martyrs V.C Academy	44	35	79.5
St Richard's V.C Academy	55	45	81.8
St Thomas More V.C. Primary School	27	25	92.6
St Vincent's V.C Academy	28	25	89.3
<b>St Cuthbert's Roman Catholic Academy Trust</b>	<b>250</b>	<b>210</b>	<b>84</b>
<b>National 2018</b>			<b>82</b>

### Year 2 Retakes

Primary School	Retakes total	Passed	% Passed
Endsleigh Holy Child V.C Academy	11	8	72.7
St Anthony's Catholic Primary School	5	0	0
St Charles' V.C Academy	10	5	50
St Mary Queen of Martyrs V.C Academy	7	5	71.4
St Richard's V.C Academy	18	6	33
St Thomas More V.C. Primary School	2	1	50
St Vincent's V.C Academy	5	3	60
<b>St Cuthbert's Roman Catholic Academy Trust</b>	<b>58</b>	<b>28</b>	<b>48.3</b>



# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### Key Stage 2 Outcomes 2018/19

#### Reading

##### Expected

Primary School	Cohort total (inc those with no KS1 Data)	No. Expected	% Expected
Endsleigh Holy Child V.C Academy	38	27	71.1
St Anthony's Catholic Primary School	31	22	71
St Charles' V.C Academy	32	20	62.5
St Mary Queen of Martyrs V.C Academy	37	30	81
St Richard's V.C Academy	49	31	63.2
St Thomas More V.C. Primary School	19	16	84.2
St Vincent's V.C Academy	30	22	73.3
<b>St Cuthbert's Roman Catholic Academy Trust</b>	<b>236</b>	<b>168</b>	<b>71.2</b>
<b>National</b>			<b>73</b>

##### Greater Depth (there are currently no national figures for Greater Depth)

Primary School	Cohort total (inc those with no KS1 Data)	No. Greater Depth	% Greater Depth
Endsleigh Holy Child V.C Academy	38	15	39.5
St Anthony's Catholic Primary School	31	6	19.4
St Charles' V.C Academy	32	3	9.4
St Mary Queen of Martyrs V.C Academy	37	9	24.3
St Richard's V.C Academy	49	9	18.4
St Thomas More V.C. Primary School	19	3	15.8
St Vincent's V.C Academy	30	3	10
<b>St Cuthbert's Roman Catholic Academy Trust</b>	<b>236</b>	<b>48</b>	<b>20.3</b>

#### Writing

##### Expected

Primary School	Cohort total (inc those with no KS1 Data)	No. Expected	% Expected
Endsleigh Holy Child V.C Academy	38	29	76.3
St Anthony's Catholic Primary School	31	24	77.4
St Charles' V.C Academy	32	26	81.3
St Mary Queen of Martyrs V.C Academy	37	30	81
St Richard's V.C Academy	49	30	61.2
St Thomas More V.C. Primary School	19	15	79
St Vincent's V.C Academy	30	23	76.7
<b>St Cuthbert's Roman Catholic Academy Trust</b>	<b>236</b>	<b>177</b>	<b>75</b>
<b>National</b>			<b>78</b>



# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### Writing

**Greater Depth** (there are currently no national figures for Greater Depth)

Primary School	Cohort total (inc those with no KS1 Data)	No. Greater Depth	% Greater Depth
Endsleigh Holy Child V.C Academy	38	2	5.3
St Anthony's Catholic Primary School	31	4	12.9
St Charles' V.C Academy	32	3	9.4
St Mary Queen of Martyrs V.C Academy	37	6	16.2
St Richard's V.C Academy	49	4	8.2
St Thomas More V.C. Primary School	19	2	10.5
St Vincent's V.C Academy	30	5	16.7
<b>St Cuthbert's Roman Catholic Academy Trust</b>	<b>236</b>	<b>26</b>	<b>11</b>

### Grammar, Punctuation & Spelling

**Expected**

Primary School	Cohort total (inc those with no KS1 Data)	No. Expected	% Expected
Endsleigh Holy Child V.C Academy	38	30	79
St Anthony's Catholic Primary School	31	15	48.4
St Charles' V.C Academy	32	24	75
St Mary Queen of Martyrs V.C Academy	37	32	86.5
St Richard's V.C Academy	49	31	63.3
St Thomas More V.C. Primary School	19	13	68.4
St Vincent's V.C Academy	30	18	60
<b>St Cuthbert's Roman Catholic Academy Trust</b>	<b>236</b>	<b>163</b>	<b>69.1</b>
<b>National</b>			<b>78</b>

**Greater Depth** (there are currently no national figures for Greater Depth)

Primary School	Cohort total (inc those with no KS1 Data)	No. Greater Depth	% Greater Depth
Endsleigh Holy Child V.C Academy	38	16	42.1
St Anthony's Catholic Primary School	31	2	6.5
St Charles' V.C Academy	32	7	21.9
St Mary Queen of Martyrs V.C Academy	37	19	51.4
St Richard's V.C Academy	49	9	18.4
St Thomas More V.C. Primary School	19	3	15.8
St Vincent's V.C Academy	30	4	13.3
<b>St Cuthbert's Roman Catholic Academy Trust</b>	<b>236</b>	<b>60</b>	<b>25.4</b>

# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### Maths

#### Expected

Primary School	Cohort total (inc those with no KS1 Data)	No. Expected	% Expected
Endsleigh Holy Child V.C Academy	38	29	76.3
St Anthony's Catholic Primary School	31	22	71
St Charles' V.C Academy	32	22	68.8
St Mary Queen of Martyrs V.C Academy	37	34	91.9
St Richard's V.C Academy	49	36	73.5
St Thomas More V.C. Primary School	19	16	84.2
St Vincent's V.C Academy	30	23	76.7
<b>St Cuthbert's Roman Catholic Academy Trust</b>	<b>236</b>	<b>182</b>	<b>77.1</b>
<b>National</b>			<b>79</b>

#### Greater Depth (there are currently no national figures for Greater Depth)

Primary School	Cohort total (inc those with no KS1 Data)	No. Greater Depth	% Greater Depth
Endsleigh Holy Child V.C Academy	38	10	26.3
St Anthony's Catholic Primary School	31	5	16.1
St Charles' V.C Academy	32	4	12.5
St Mary Queen of Martyrs V.C Academy	37	11	29.7
St Richard's V.C Academy	49	9	18.4
St Thomas More V.C. Primary School	19	3	15.8
St Vincent's V.C Academy	30	4	13.3
<b>St Cuthbert's Roman Catholic Academy Trust</b>	<b>236</b>	<b>46</b>	<b>19.5</b>

### Reading, Writing & Maths Combined

#### Expected

Primary School	Cohort total (inc those with no KS1 Data)	No. Expected	% Expected
Endsleigh Holy Child V.C Academy	38	26	68.4
St Anthony's Catholic Primary School	31	19	61.3
St Charles' V.C Academy	32	16	50
St Mary Queen of Martyrs V.C Academy	37	28	75.7
St Richard's V.C Academy	49	26	53.1
St Thomas More V.C. Primary School	19	14	73.7
St Vincent's V.C Academy	30	17	56.7
<b>St Cuthbert's Roman Catholic Academy Trust</b>	<b>236</b>	<b>146</b>	<b>61.9</b>
<b>National</b>			<b>65</b>

# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### Reading, Writing & Maths Combined

**Greater Depth** (there are currently no national figures for Greater Depth)

Primary School	Cohort total (inc those with no KS1 Data)	No. Greater Depth	% Greater Depth
Endsleigh Holy Child V.C Academy	38	2	5.3
St Anthony's Catholic Primary School	31	3	9.7
St Charles' V.C Academy	32	1	3.1
St Mary Queen of Martyrs V.C Academy	37	4	10.8
St Richard's V.C Academy	49	1	2
St Thomas More V.C. Primary School	19	0	0
St Vincent's V.C Academy	30	3	10
<b>St Cuthbert's Roman Catholic Academy Trust</b>	<b>236</b>	<b>14</b>	<b>5.9</b>

### Secondary Executive Summary

#### Key Stage 4

Year 11 cohort has a particularly statistically challenging demographic.

Despite this:

Progress 8 value of 0.8 again places SMC amongst the top performing non-selective state schools;

All pupil groups achieve exceptionally well relative to their peers nationally;

EBacc threshold performance has reached a record high;

Consistency of performance across the curriculum is excellent;

Exceptionally high numbers of the top grades have been achieved.

We have received confirmation from the LA that there are 0 NEETs again this year.

#### Key Stage 5

Post 16 cohort continues to grow in number.

Reform transition continues, particularly with vocational programmes.

In this context:

There is a very strong performance across the range of post 16 programmes:

ALPS Progress Scores continue to demonstrate SMC performance 'significantly above' national;

Further improvement from an already strong position in all DfE attainment headline measures;

The vast majority of subjects are performing above national comparisons.

### Key Stage 4 Performance Results Analysis

#### Year 11 School Leavers: Cohort Summary

Group	% of cohort				Comments
	Nat 18	SM 17	SM 18	SM 19	
Male	50	53.7	53.8	59.0	Gender - higher % males 4 <sup>th</sup> year in succession. Record gap in gender demographic for SMC in 2019.
Female	50	46.3	46.2	41.0	
PP	28	26.0	26.7	26.8	Broadly consistent with nat. Deprivation top
EAL	16	24.4	27.9	24.1	Remaining well above national.
K	10.7	14.6	16.7	22.0	Significantly above national proportions of students with SEN including several with particularly profound needs.
EHC	1.7	3.7	2.0	3.1	

# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### Prior Attainment comparison to national 2018

Group	% by prior attainment band			This year group had a negative prior attainment when compared with the national (-0.7 KS2 APS)
	LA	MA	HA	
SMC	14	46	40	
National	11	45	44	

### Headline Trends Summary

Headlines	Nat 2018 Good / Strong	SMC 2017		SMC 2018		SMC 2019		Comments
		Standard / Strong		Standard / Strong		Standard / Strong		
Attainment 8	46.5	53.5		54.2		54.1		Significantly above national even though prior attainment is below.
Progress 8	0	0.9		0.9		0.8		Strong outcome again in this measure.
E & M (Basics)	64% / 43%	70 %	51%	75 %	53 %	72%	51%	Slight dip in both good and strong pass thresholds for the basics.
EBacc	24% / 17%	39 %	34%	51 %	34 %	52%	38%	Further increase in performance headline due to consistency of outcomes across EBacc subjects.

Headline DfE Measures – 3 Yr. Trend. Sustained performance well above national. Strong positive trend with EBacc threshold reflects high level of consistency across the curriculum. A slight drop in basics thresholds from 2018 but remains well above national

### Basics threshold summary (RAG rated against SMC outcomes 2018)

Basics	9-7	9-5	9-4	EM (Good)	EM (Strong)
English	23.4%	69.0%	82.8%	72	51
Maths	28.2%	56.0%	78.0%		

Basics outcomes at thresholds. RAG rating shows a decrease in 4+ in English and 5+ in maths compared to SMC outcomes in 2018. It also highlights a significant increase in 7+ grades in Maths.

### Grade range performance summary

Grade range	All	Male	Female	Difference
5 or more grade 9 to 7:	25.7%	20.8%	32.7%	-11.90%
5 or more grade 9 to 6:	40.6%	34.4%	49.5%	-15.10%
5 or more grade 9 to 5:	57.9%	50.1%	68.2%	-18.10%

Strong performance in the higher-grade ranges with over a quarter of students achieving 5 or more grade 7-9.



# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### Post 16 Results Analysis

#### Year 13 School Leavers Cohort Summary

##### A-Level

	2015/16	2016/17	2017/18	2018/19
A level student numbers (1 or more entry)	123	137	133	158
% Students on mixed study programmes	25.2%	34.3%	21.8%	29.1%
Total exam entries (excluding general studies)	317	350	334	380
6.4+ student numbers %	27.6%	32.1%	36.1%	40.5%
5.5 -< 6.4 student numbers %	39.8%	31.4%	37.6%	42.4%
0.0 -< 5.5 student numbers %	32.5%	36.5%	26.3%	17.1%
Average GCSE score	5.84	5.91	6.03	6.21
Average QCA score	45.07	45.48	46.19	47.24

##### Applied General / Tech Level

	2015/16	2016/17	2017/18	2018/19
2016 - BTEC student numbers	-	-	16	51
Total exam entries	-	-	48	71
5.8+ student numbers %	-	-	25.0%	35.3%
4.7 -< 5.8 student numbers %	-	-	50.0%	52.9%
0.0 -< 4.7 student numbers %	-	-	25.0%	11.8%
Average GCSE score	-	-	5.37	5.44
Average QCA score	-	-	42.21	42.65

#### Post 16 Threshold Headlines – Trends

Headline	Points (expressed as a grade)			
	2016	2017	2018	2019
Points per A-Level Entry	31.67 (C)	33.47 (C+)	35.10 (B-)	<b>38.08 (B-)</b>
Points per Academic Entry	31.86 (C)	33.56 (C+)	35.09 (B-)	<b>38.14 (B-)</b>
Points per Applied General Entry	36.08 (Dist)	38.96 (Dist+)	<sup>*</sup> 32.24 (Dist-)	<sup>*</sup> <b>37.56 (Dist+)</b>
Points per Tech Level Entry	38.89 (Dist)	42.04 (Dist*-)	<sup>*</sup> 40.00 (Dist+)	<sup>*</sup> <b>41.25 (Dist +)</b>

\* These values reflect a change to accountability structure and reduction in current courses contributing to the measures. There will be a transition period at the end of which all vocational programmes will be reflected.



# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

Headline Post 16 Performance Summary (2 Year Trend) including disadvantaged

KS5 Headline Measures	All 2018	All 2019	Dis 2018	Dis 2019
<b>A level cohort and results</b>				
Number of students at the end of 16-18 study with an A level exam entry (for average grade measure)	178	152	36	27
Average point score per A level entry expressed as a grade	B-	B-	C	B-
Average point score per A level entry	35.10	38.08	30.20	38.14
<b>A level – Level 3 Value Added</b>				
A level value added score	0.24		0.22	
<b>Academic cohort and results</b>				
Number of students at the end of 16-18 study with an academic exam entry (for average grade measure)	178	152	36	27
Average point score per academic entry expressed as an A level grade	B-	B-	C	B-
Average point score per academic entry	35.09	38.12	30.16	38.14
<b>Academic – Level 3 Value Added</b>				
Academic value-added score	0.24		0.21	
<b>Applied general cohort and results *</b>				
Number of students at the end of 16-18 study with an applied general exam entry (for average grade measure)	68	79	11	21
Avg point score per applied general entry expressed as a vocational grade	Dist-	Dist +	Merit+	Dist +
Avg point score per applied general entry	32.24	38.62	27.67	37.56
<b>Applied general – Level 3 Value Added *</b>				
Applied general value added score	0.04		-0.21	
<b>Tech level cohort and results *</b>				
Number of students at the end of 16-18 study with a tech level exam entry (for average grade measure)	15	16	4	8
Average point score per tech level entry expressed as a vocational grade	Dist+	Dist+	Dist+	Dist +
Average point score per tech level entry	40.00	39.36	37.50	41.25
<b>English and maths progress measure</b>				
No. of students at end of 16-18 study in scope for English progress measure	39	21	8	1
Average progress made in English	0.95	0.40	0.71	1.00
No. of students at end of 16-18 study in scope for maths progress measure	51	47	12	8
Average progress made in maths	0.54	0.21	0.08	0.53

# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### Advanced Level Performance System (ALPS): Summary of key headlines

A-Level ALPS Headlines – Red colouring and lowest values (1-3 on a 1-9 scale) represent significantly better performance relative to national. Blue colouring and largest numbers (7-9) represent below national performance. White/black is within the range of national average which is represented as a 5 in terms of an attributed value (4-6).

#### A-Level

	2015/16	2016/17	2017/18	2018/19
T score - Single year score	3.00	2.33	3.33	3.33
T score - Single year grade	3	2	3	3

RED teaching & learning %	69.4%	44.6%	36.8%	49.1%
RED teaching & learning grade	2	3	4	3

BLUE teaching & learning %	21.5%	3.4%	14.1%	13.7%
BLUE teaching & learning grade	5	2	4	4

Provider A level Quality Indicator score	1.03	1.03	1.02	1.00
Provider A level Quality Indicator grade	2	2	2	3

T score - Three year score	3.00			
T score - Three year grade	2			

A levels on target %	77.6%	76.9%	78.4%	72.1%
A levels on target grade	2	3	2	3

#### Applied General / Tech Level

	2016/17	2017/18	2018/19
Provider value added score grades	3	2	2

% RED teaching & learning grades	3	2	2
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% BLUE teaching & learning grades	4	4	1
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T score - single year	3.33	2.67	1.67
T score - single year grade (1 to 9)	3	3	2

Three year T score	2.56		
Three year T score grade (1 to 9)	3		

Every measure is 'red hot' and therefore demonstrates performance significantly above national for our vocational provision which includes Applied General and Tech Level programmes. Positive trend across all measures.

# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

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### Destinations: Summary of current status

University (Russell Group) ( <b>Medical Schools</b> )	192 (28) ( <b>7</b> )
Apprenticeships	6
Gap Year	7
Working	13
RAF	1
Medical Experience	1
USA Scholarship	1
Undecided	12

Strong current position in terms of destinations for Year 13 leavers. Exceptional success in medical school applications supported by the SMC Medical Health and Social Care Academy.

# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

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### Financial Review

Most of the Trust's income is obtained from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA are shown in the Statement of Financial Activities for the year ended 31 August 2019. Additional income sources included Local Authority receipts for the high needs block and early year's provision. The total incoming resources for the period amounted to £23,109,227 (2018: £43,088,931).

Academies also receive grants for their major assets from the ESFA. In accordance with the Charities Statement of Recommended Practice, "Accounting and Reporting by Charities" (SORP 2015), such grants are shown in the Statement of Financial Activities (SOFA) as Restricted Income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the previous financial period the Trust was unable to access capital condition funding due to the late conversion of the Trust by 1 month, resulting from delays between Hull City Council and East Riding of Yorkshire Council in respect of land transfer agreements. The Trust has had to use a significant amount of reserves in order to get this work completed and this is reflected in the net movement of funds and is responsible for the Trust not meeting its financial targets during the previous and current reporting period. The School Condition Allocation (including devolved formula capital) of £448,000 was confirmed to the Trust in April 2019 and was due to be received July 2019 but was not paid until October 2019. The Trust had already embarked on its capital condition programme which needed to be delivered during the Summer break. The major element of the capital funding was directed at the cross-Trust ICT integration and primary upgrade project, the aim of which was essential to ensure that all Academies could access high quality IT infrastructure services equally across the Trust to keep the buildings safe, secure and running efficiently i.e. CCTV, telecoms, internet access, door access controls, fire systems, intruder systems, firewall protections, building management systems etc. Another significant element was the extensive remodelling at St Mary's College in advance of the new building being delivered in September/October 2020.

The Trust has enhanced its central team function by growing the finance team and also investing in new School Improvement initiatives. The Trust's planned rapid improvement for underperforming academies continues to require significant investment. As a consequence of the unplanned capital investment and school improvement investment, the Trust again fell short of its target approved by Directors earlier in the year. However, these additional costs have been offset by reserves held by the Trust and have been addressed fully in the 3-year plan with specific staffing strategies.

Expenditure in the year has supported the key objectives of the Trust, with budgets being set in line with operational requirements. In the course of the year the academies have continued to refine the staffing structures required to deliver their objectives within the funding available and further opportunities exist across the primary estate to improve staffing structures further. The Chief Financial Officer has received training on Integrated Financial Curriculum Planning and the Trust have invested in the ISBL I-SOT tool to support financial planning processes further.

The Trust has undertaken a number of procurement and service provision exercises to deliver both service improvements and efficiencies across the Trust. A major OJEU procurement exercise was undertaken in partnership with Hull City Council Procurement Team for the major ICT infrastructure upgrade and integration project that was delivered in this reporting period.

During the period ending 31 August 2019 total income, excluding funds received on conversion and fixed asset fund income, was £22,655,473 (2018: £20,035,260), and total expenditure, excluding depreciation and impairment was £23,436,320 (2018: £21,315,247). The total surplus across the Trust, with income being greater than expenditure, (and excluding restricted fixed asset funds and the pension scheme actuarial valuation and charge), was £73,121 (2018: (deficit £2,210)). Cash at the year-end was £669,240 (2018: £1,271,807).

At 31 August 2019 the net book value of fixed assets was £28,816,671 (2018: £29,223,272).



# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

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### Financial and Risk Management Objectives and Policies

The Trust has basic financial instruments. These are bank balances, trade debtors, other debtors, accrued income, trade creditors and accruals. These arise through the normal trading activities of the Trust. The Trustees have assessed and implemented a number of systems to assess and mitigate risks that the Academy Trust faces, especially in the operational areas e.g. in relation to teaching, HR management and to the control of finance. They have introduced systems, including operational procedures and internal financial controls in order to minimise risk. Where significant financial risk still remains, they have ensured they have adequate insurance cover. The Academy Trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement. Key risks have been identified below:

- Staff recruitment and retention: pro-active use of the Schools Direct programmes in both primary and secondary is central to ensuring the Trust maintains high quality flow of new staff. Expansion of the Trust has created further opportunities to retain key staff and in particular nurture future Catholic leadership.
- Student numbers: the Trust is currently running close to capacity. The Local Authority requested that the secondary school increase its PAN from 300 to 360 per year group from September 2019 in order to assist with a shortage of secondary places across the city. This is supported by a centrally funded new building containing 18 classrooms and additional accommodation. A significant change request was granted by the DfE and the Trust is confident student numbers will be maintained.
- Age of the estate (legacy & lifecycle): St Cuthbert's is an Established Trust and now receives annual guaranteed capital funding (School Condition Allocation) of approximately £450,000. This will make planning for the asset management of the Trust easier and more effective.
- National Funding Formula: Hull City Council is still opting for the soft NFF option which reduces the net gain to the Trust.
- National political landscape is volatile and future funding position is uncertain. Also, Brexit may have specific implications for student and staff retention and future admissions, particularly in primary sector.

### Reserves Policy

The Trustees review the reserves levels of the Academy Trust regularly. This review encompasses the nature of the income and expenditure streams, the need to match income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees have reviewed the Trust's expenditure and felt that the Chief Financial Officer should propose a capital reserve schedule identifying the need to replace assets and the related sums required. The Directors should agree the value of capital reserves to be created in a year as part of the budget approval process. The previous policy was to have 5 weeks of operating costs held on reserve, but the lack of any central capital funding from Oct 2017 – Oct 2019 has resulted in this policy becoming unsustainable due to reserves being used to fund critical works across the estate. The current policy now runs alongside the capital assets plan for the estate for the next 5 years. This indicates a basic operating level of reserves of £300,000 plus any top up reserves that may be required to maintain the estate over that period.

A breakdown of the funds as at 31 August 2019 is as follows:

The Group held total fund balance reserves of £ 21,820,807 as at 31 August 2019 (2018: £24,458,443), comprising of £21,099,860 (2018: £23,810,617) of restricted funds including a pension deficit of £6,949,000 (2018: £4,888,000) and unrestricted funds of £720,343 (2018: £647,826).

Total revenue reserves of the Group are £720,343 (2018: £647,826) as at 31 August 2019, and this excludes the fixed asset fund of £28,048,860 (2018: £28,698,617) and the pension reserve deficit of £6,949,000 (2018: £4,888,000). The amount of free funds, being total funds less the amount held in fixed assets and restricted funds is £720,343 (2018: £647,826).

The trust is carrying a net deficit of £6,949,000 (2018: £4,888,000) on the pension reserve deficit due to future pension liabilities exceeded the current value of assets held. Over time this will be brought back into balance through the payment of monthly pension contributions, based on a percentage of gross salaries, into the East Riding Pension Fund which includes an element to address the deficit position. During the year the Trust paid employer contributions of £868,000 (2018: £812,000).



# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## GOVERNANCE STATEMENT

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### Going Concern

The Board of Trustees has a reasonable expectation that the Academy Trust has the resources to adequately operate for the next 3-year budgeting cycle and maintain solvency. The Trust is now in receipt of the School Condition Allocation for approximately £450,000, received annually, and will not need to deplete its capital reserves further to fund essential works. The Trust currently manages its solvency through a combination of a robust budget setting process and a regular review of the budget against actual income and expenditure for each setting. The Trust has prepared cash flow forecasts to December 2020 and financial forecasts to August 2022 to support the going concern conclusion adopted. In addition, the trust operates with a manageable liquid cash balance and manages income and payments closely to ensure any potential risks to this are identified early. Taking this into account, it continues to adopt the going concern basis in preparing financial statements.

### Investment Policy

The Trustees agree all investments made by the Academy. The Academy Trust does not currently hold any investments outside its current account. Future investments are likely to be restricted to deposit and money market accounts in all UK banks. The Academy Trust will seek to hold adequate cash reserves for the day to day running of the Academy Trust schools in line with the reserves policy.

### Plans for Future Periods

The key aims and objectives set for the next reporting period are the same as those stated in this report. One of the main planned activities in terms of delivering a stable financial plan is full centralisation of the finance function. This will ensure improved sight and control of local and Trust resource plans. It will also further improve internal control procedures. The main financial challenges are the volatile political environment, uncertainty surrounding national funding initiatives, increased pay and pension costs, the age of our school estate and the continued pressure on High Needs Funding.

### Principal Risks and Uncertainties

The system of internal control is designed to manage risk to a reasonable level rather than eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide a reasonable level and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the 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 the Academy Trust for the year 2018 – 19, and up to the date of approval of the annual report and financial statements.

### Risk management:

St Cuthbert's Roman Catholic Academy Trust view risk management as an integral part of good corporate governance in order to continue to:

- Manage the maintenance of high educational standards in terms of outcomes, policy and practice.
- Demonstrate best value; and
- Protect the assets and reputation of the Trust and its academies.

### Key risks:

The Trust considers that key risks are most likely to arise in the following areas:

- Sustaining and improving the delivery of high-quality education to pupils attending the Trust's Academies;
- Safeguarding pupils, employees and all other persons to whom the Trust has a duty of care;
- Maintaining effective control of public funds;
- Protecting property including buildings, equipment, vehicles and all other assets and resources;
- Compliance with statutory obligations;
- Maintaining the positive reputation of the Trust;
- The age of the estate and capital investment required over the next few years set against capital grant income received through central government funding (School Condition Allocation); and
- Unstable political landscape i.e. future funding and Brexit.

### Managing risk:

In order to effectively manage these risks, the Trust's Board of Trustees, Finance, Assets and Audit Committee are accountable for overseeing the implementation of the Risk Management Policy and ensuring that management:

- Establishes clear roles, responsibilities and reporting lines for risk management;
- Provides a framework for recording and reviewing potential risks and associated actions;
- Reinforces the importance of effective risk management by offering training, good practice, and other support.

# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## GOVERNANCE STATEMENT

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The Accounting Officer is responsible for embedding the risk management culture across the Trust that encourages the identification and management of risk

### Principal Risks and Uncertainties (continued)

Risks identified are recorded in the Trust's Risk Register and are graded as high, medium or low. These risks are reviewed during the period and the Directors have assessed the major risks and uncertainties to which the trust is exposed.

The Trust's principal risks and uncertainties concern the ICT integration project; the provision of a new building at St Mary's College for increased admissions expected in September 2020; future funding of education; the funding for High Needs and the impact all of these factors will have on the Trust's finances.

### Fundraising

The Trust is currently reviewing its approach to fundraising. During the reporting period the following arrangements were in place:

St Mary's College contracted an expert bid writer one day per week over the period of three terms to develop and submit bids to support a variety of educational and enrichment projects across the school. This was a successful strategy which raised more in charitable donations than the cost off the bid writer's services, including a successful bid to The Magic Breakfast which provides free breakfast provisions to many students across the Trust and is worth in excess of £500,000. All donations are reported on in line with any requirements of the funding. In addition, St Mary's College invites new families to set up a regular contribution into a fund that is used to support specific types of projects as identified in the Memorandum of Understanding.

Some of the Primary Schools have active Parent Teacher Associations which follow national guidelines.

Furthermore, each Academy within the Trust has an active mission to fundraise towards internally approved projects and also approved good causes such as CAFOD or Emmaus Hull.

### Employee Consultation and Disabled Employees

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the Trust continues and that the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

The Trust's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information about matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the company's performance.

### Auditor

RSM UK Audit LLP has indicated its willingness to continue in office.

### Statement as to disclosure of information to auditor

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware
- 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 the information.

Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the Company Directors, on 8 December 2019 and signed on the Board's behalf by:

12 st



Peter Fearnley  
Trustee and Chair

12 December 2019

# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## GOVERNANCE STATEMENT

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### Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, 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 Cuthbert's Roman Catholic Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

### Governance

The information on governance included here supplements that described Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 5 times during the year and its main responsibilities are as follows:

- Admissions
- Appeals
- Finance, Audit and Capital Assets
- Human Resources Committee (including Pay)
- Student Exclusion
- Curriculum, Teaching and Learning
- Strategy
- Safeguarding
- Catholic Life of the Schools
- Complaints

The Board is provided with regular and timely information on the overall financial performance of the Academy together with other information such as performance against funding targets, proposed capital expenditure, quality matters and personnel-related matters including health and safety and environmental issues.

The Independent Clerk to the Board maintains a register of financial and personal interests of the members of the Board. The register is available for inspection on the website.

All Board members are able to take independent professional advice in furtherance of their duties at the Trust's expense and have access to the Clerk, who is responsible to the Board for ensuring that all applicable procedures and regulations are complied with. The appointment, evaluation and removal of the Clerk are matters for the Board as a whole.

Formal agendas, papers and reports are supplied to Board members in a timely manner, prior to Board meetings. Briefings are also provided on an ad hoc basis.

# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

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

### ATTENDANCE REGISTER - full board meetings only

St Cuthbert's Roman Catholic Academy Trust	13/12/18	24/01/19	04/04/19	09/05/19	04/07/19
<b>Foundation</b>					
Mrs M Chorlton 27.11.17 – 31.1.19	/	/			
Mr C Cuthill 27.11.17 – 26.11.21	/	/	/	/	/
Mr M Davidson 27.11.17 – 26.11.21	/	/	/	/	/
Rev P Dowling 27.11.17 – 31.08.19	/	/	/	/	/
Mr M Gallagher 13.8.18 – 11.12.22	/	/	/	/	/
Rev W Massie 27.11.17 – 26.11.21	/	*	/	/	/
Mrs A Ward 27.11.17 – 26.11.21	/	/	/	/	/
<b>Parent</b>					
Mr T Davison 01.09.17 – 31.08.21	/	/	/	/	/
Mr P Fearnley 01.01.16 – 31.12.20	/	/	/	/	/
<b>Co-opted</b>					
Mrs L Dyas 11.03.16 – 10.03.20	/	/	/	/	/
<b>CEO</b>					
Mr G Fitzpatrick	/	/	/	/	/
<b>COO (Primary)</b>					
Mrs K Siedle	/	/	/	/	/
<b>COO (Secondary)</b>					
Mr D Walmsley	/	/	/	/	/
<b>CFO</b>					
Mrs S Teasdale	/	/	A	/	/

Key: / Present; A Apologies;

/ Consent given; \*Absent, no consent



# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

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### Governance Reviews

As indicated in last year's report, the Board of Trustees completed a self-evaluation skills audit in the first term of this reporting period, and this was facilitated by our external expert clerking service. The skills audit tool is available through the Diocese and it ensures that all key skills for governance are covered. Particular challenges facing the Board this year have been as follows:

- continued reduction of inherited liabilities from St Richard's as reported in the last set of accounts
- reducing level of legacy Diocesan debt
- ageing estate and lack of any central capital funding
- major ICT project delivered over the summer break
- significant remodel at St Mary's over the summer break to support local authority expansion plans and significant change application approved by DfE
- increased pressure on High Needs across the Trust and diminishing funding
- increased teacher pay and pension rates that have not been fully funded.

The Board is chaired by a qualified chartered accountant who is able to provide strong leadership to the Board and the highly skilled Finance, Assets and Audit Committee (FAA). The FAA Committee is a sub-committee of the main Board of Trustees. Its purpose is to:

### Terms of Reference

#### Capital and Assets

- To monitor the use of the Trust's capital funding, with due reference to the agreed selection criteria.
- To maintain oversight of premises issues, including capital investment, facilities management and community use.
- To ensure the implementation of a rolling programme of repairs and maintenance across all sites, based on identified priorities.
- To make the best use of the Trust's capital assets.
- To insure the buildings.
- To prepare and keep under review the health and safety policy.
- To monitor and evaluate the implementation of the health and safety policy and intervene where necessary.
- To ensure compliance with health and safety legislation and best practice, including monitoring accidents and near misses.
- To monitor Trust-wide ICT provision

#### Finance

- To ensure the financial sustainability of the Trust.
- To consider indicative funding, notified annually by the ESFA, and to assess its implications, drawing any matters of significance or concern to the attention of the Board of Trustees.
- To monitor and review expenditure on a regular basis and ensure compliance with the overall financial plan for the Trust, the financial regulations of the ESFA and the Academies Financial Handbook, drawing any matters of concern to the attention of the Board of Trustees.
- To report to the ESFA as required.
- To prepare the financial statements to form part of the annual report of the Board of Trustees, for presentation to members and filing in accordance with Companies Act and Charity Commission requirements.
- To recommend a formal budget plan for each financial year, for approval by the Board of Trustees.
- To receive and make recommendations on broad budget headings and areas of expenditure to be adopted each year, including the level and use of any contingency fund or balances, ensuring the compatibility of all such proposals with the development priorities set out in the development plan.
- To monitor school level budget planning and expenditure.
- To ensure funding received is used in accordance with guidance received.
- To report financial irregularities to Members.
- To agree contracts or other binding agreements, in accordance with adopted policies and procedures and in line with delegated levels of expenditure.
- To make payments in accordance with adopted policies and procedures and in line with delegated levels of expenditure.
- To liaise with and receive reports from committees, as appropriate, and to make recommendations to those committees about the financial aspects of matters being considered by them.
- To approve/recommend for approval policies and procedures relating to financial management.
- To approve the scheme for paying governors' expenses.



# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### Audit

- To advise the Board on the adequacy of internal controls and value for money systems.
- To review financial statements and reports and highlight any significant issues to the Board of Trustees.
- To monitor and review the effectiveness of financial procedures, controls and internal audit and, where appropriate, make recommendations for improvement. To review risks to internal financial control and agree actions to address those risks.
- To recommend to the Board the appointment of the external auditors.
- To recommend to the Board the program of independent checks on financial controls and systems.
- To receive auditors' reports and to recommend to the Board action as appropriate in response to audit findings.
- To ensure all relevant reports and management letters are responded to effectively and in a timely manner.
- To keep under review the whistleblowing policy and ensure allegations of fraud or irregularity are investigated.
- Ensure a register of business interests is maintained.
- To ensure the Trust meets the requirements of Data Protection and Freedom of Information legislation.

Attendance at meetings in the year was as follows:

### ATTENDANCE REGISTER –

St Cuthbert's Roman Catholic Academy Trust Finance, Assets and Audit Committee	25/10/18	29/11/18	24/01/19	21/03/19	23/05/19	04/07/19
Mr P Fearnley	/	/	/	/	/	/
Mr M Davidson	/	/	/	/	/	/
Reverend P Dowling	/	/	/	/		
Mrs L Dyas	/	/	/	/	/	/
Mr T Davison	/	/	/	/	/	/
Mrs M Chorlton		/				
Mr C Cuthill		/	/			
Mr M Gallagher			/	/	/	/

Key: / Present; A Apologies;

/ Consent given; \*Absent, no consent

# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

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### Review of Value for Money

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

The Accounting Officer considers how the Academy Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of 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:

- Effective procurement of the ICT contract
- Effective procurement of all operational leases
- Effective procurement of trades and services
- Use of framework agreements and national deals e.g. educational supplies and agency supply
- Staffing efficiencies and increased harmonisation across the Trust
- Traded services e.g. HR, Payroll, Estate, ICT, School Improvement.
- Social Impact - adding value to the regional and national offer particularly in leading the Hull Sports Active Programme providing participation and competitive opportunities for all schools across the City, the Trust are the lead regional school for Inclusion Sport; The Trust is one of the leading members of the City Learning Partnership which is pivotal to setting the local education agenda; The Trust's sport facility "The Academy" provides competitively priced community sport and health and well-being opportunities to the local community.

### 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 Cuthbert's Roman Catholic Academy Trust for the period of 01 September 2018 to 31 August 2019 and up to the date of the approval of the annual report and financial statements.

### Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the Academy 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 period 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 Trustees.

The Finance, Assets and Audit Committee (FAA) 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. A Risk Register is in place and FAA Committee implements a rolling programme of risk management action points which are regularly reviewed.

In addition, the FAA Committee have also agreed a programme of internal financial control which is evidenced by the Accounting Officer's checklist which is regularly presented to Directors for inspection and challenge. The Trust also has a peer-to-peer arrangement of internal control with the Chief Financial Officer (CFO) of a partner Trust in the city. The CFO is a qualified accountant who is engaged to deliver internal control reporting across a wide range of areas that include Finance, Payroll and HR Systems. The reports are delivered to FAA Committee for scrutiny and action points are regularly reviewed.

The FAA Committee also nominated external Health and Safety experts, Stallard Kane, to undertake an annual H&S audit, including estate management compliance across all schools in the Trust. This is further strengthened by a regular, annual operational audit which is carried out by Senior Estate staff.

# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

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### The Risk and Control Framework

The 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 regular financial reports which are reviewed and agreed by Trust Board; in line with requirements of the Academy's Financial Handbook
- regular reviews by the FAA 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
- bi-annually updated financial procedures handbook which is implemented across the Trust to ensure consistent procedures in line with delegated authorities as agreed by Trustees
- annually reviewed procurement and tendering policy which is checked as part of the Accounting Officer's internal control checklist and also during external audit
- delegation of authority and segregation of duties
- identification and management of risks via Risk Register
- regular use of ESFA financial management checklists and regular reporting to Trustees
- proactive approach to staff education on fraud.

The Trust has also adopted a peer-to-peer method of internal reporting and uses a partner Trust to carry out the following checks throughout the reporting period:

- testing of payroll systems
- testing of purchase systems
- testing of income controls
- testing of banking controls.

The checks this year were undertaken in schools new to the Trust from October 2017.

On a regular basis, the internal reviewer reports to the FAA Committee or Trust Board on the operation of systems of control and on the discharge on the Board of Trustees responsibilities.

There were no material control or other issues reported by the internal reviewer to date.

### Review of Effectiveness

As Accounting Officer, the Chief Executive Officer 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 reviewer and Lead Finance Officer
- the work of the external auditor
- the ESFA school resource management assessment checklist, dashboard & benchmarking
- the Accounting Officers own review and checklist.

The Accounting Officer has reported on the effectiveness of the internal control system to FAA Committee. Proposals are in place to address recommendations and ensure continuous improvement and further strengthening of the system by moving towards a Board Assurance Framework and by appointing a fulltime internal resource whose main responsibility is implementing and reporting on internal financial controls across the Trust.

Approved by order of the board of Trustees on 12 December 2019 and signed on its behalf by:



P Fearnley  
Chair



G Fitzpatrick  
Accounting Officer

# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

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As accounting officer of St Cuthbert's Roman Catholic Academy Trust I have considered my responsibility to notify the Academy Trust board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy 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 2018.

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

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



G Fitzpatrick  
**Accounting Officer**

12 December 2019



# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

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The Trustees (who are also the Directors of St Cuthbert's Roman Catholic Academy Trust for the purposes of company law) are responsible for preparing the Trustees' report (including the strategic report) and the financial statements in accordance with the Annual Accounts Direction issued 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 2015 and the Academies Accounts Direction 2018 to 2019;
- 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 of Trustees on 12 December 2019 and signed on its behalf by:



P Fearnley  
Chair

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

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## Opinion

We have audited the financial statements of St Cuthbert's Roman Catholic Academy Trust (the "parent charitable company") and its subsidiary (the Group) for the year ended 31 August 2019 which comprise the Group Statement of Financial Activities, the Group and Company Balance Sheets, the Group and Company 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, United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), and the Academies: Accounts Direction 2018 to 2019 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 group's and parent charitable company's affairs as at 31 August 2019 and of the group's 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 Academies Accounts Direction 2018 to 2019 issued by the Education and Skills Funding Agency.

## Basis for opinion

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

## Conclusions relating to going concern

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

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

## Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our 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.

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST (CONTINUED)**

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## **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, which includes the Directors' Report and the Strategic Report, prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Directors' Report and Strategic Report included within the Trustees' Report have 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 group and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report, or the Strategic Report included within the Trustees 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 by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and
- 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 set out on page 32, the Trustees (who act as Trustees for the charitable activities of the group and parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or parent charitable company 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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST (CONTINUED)

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### 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.



Richard Lewis (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP, Statutory Auditor

Chartered Accountants

Two Humber Quays

Wellington Street West

Hull

HU1 2BN

Date 17 December 2019



# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2019 £	Total 2018
<b>Income and endowments</b>						
Donations and capital grants	3	172,882	-	453,754	626,636	243,601
Donations - transfer of schools into the trust from local authority on conversion		-	-	-	-	22,937,732
Charitable activities:						
-Funding for educational operations	4	-	20,228,387	-	20,228,387	17,808,936
Other trading activities	5	2,253,242	-	-	2,253,242	2,097,769
Investments	6	962	-	-	962	955
<b>Total</b>		<u>2,427,086</u>	<u>20,228,387</u>	<u>453,754</u>	<u>23,109,227</u>	<u>43,088,993</u>
<b>Expenditure on</b>						
Raising funds		6,550	-	-	6,550	760
Charitable activities						
- Educational operations	8	2,347,415	21,131,387	1,103,511	24,582,313	22,207,203
<b>Total</b>	7	<u>2,353,965</u>	<u>21,131,387</u>	<u>1,103,511</u>	<u>24,588,863</u>	<u>22,207,963</u>
<b>Net (expenditure)/income</b>		73,121	(903,000)	(649,757)	(1,479,636)	20,881,030
<b>Transfer between funds</b>		-	-	-	-	-
<b>Other recognised gains/(losses)</b>						
Re-measurement of net defined benefit obligation	25	-	(1,158,000)	-	(1,158,000)	928,000
<b>Net movement in funds</b>		73,121	(2,061,000)	(649,757)	(2,637,636)	21,809,030
<b>Reconciliation of funds</b>						
Total funds brought forward		647,826	(4,888,000)	28,698,617	24,458,443	2,649,413
Total funds carried forward		<u>720,947</u>	<u>(6,949,000)</u>	<u>28,048,860</u>	<u>21,820,807</u>	<u>24,458,443</u>

**ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST****CONSOLIDATED BALANCE SHEET****AS AT 31 AUGUST 2019**

	Notes	£	2019 £	£	2018 £
<b>Fixed assets</b>					
Tangible assets	13		28,816,671		29,223,272
<b>Current assets</b>					
Debtors	14	1,083,323		572,007	
Cash at bank		<u>669,240</u>		<u>1,271,807</u>	
		1,752,563		1,843,814	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	15				
		<u>(1,757,273)</u>		<u>(1,641,522)</u>	
<b>Net current (liabilities)/assets</b>			<u>(4,710)</u>		<u>202,292</u>
<b>Total assets less current liabilities</b>			28,811,961		29,425,564
Creditors: amounts falling due after more than one year	17		<u>(42,154)</u>		<u>(79,121)</u>
<b>Net assets excluding pension liability</b>			28,769,807		29,346,443
Defined benefit pension scheme liability	25		<u>(6,949,000)</u>		<u>(4,888,000)</u>
<b>Total Net assets</b>			<u>21,820,807</u>		<u>24,458,443</u>
<b>Funds of the Academy Trust:</b>					
<b>Restricted funds</b>	19				
- Restricted fixed asset funds			28,048,860		28,698,617
- Restricted income funds			-		-
- Pension reserve			<u>(6,949,000)</u>		<u>(4,888,000)</u>
<b>Total restricted funds</b>			21,099,860		23,810,617
<b>Unrestricted income funds</b>	19		<u>720,947</u>		<u>647,826</u>
<b>Total funds</b>			<u>21,820,807</u>		<u>24,458,443</u>

The financial statements on pages 36 to 66 were approved by the board of Trustees and authorised for issue on 8<sup>th</sup> December 2019 and are signed on their behalf by: 12  
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P Fearnley  
Chair



G Fitzpatrick  
Chief Executive Officer (Accounting Officer)

**ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST****ACADEMY TRUST BALANCE SHEET****AS AT 31 AUGUST 2019**

	Notes	£	2019 £	£	2018 £
<b>Fixed assets</b>					
Tangible assets	13		28,223,832		28,482,137
<b>Current assets</b>					
Debtors	14	1,072,317		593,078	
Cash at bank		<u>621,414</u>		<u>1,193,457</u>	
		1,693,731		1,786,535	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	15	<u>(1,749,220)</u>		<u>(1,630,609)</u>	
<b>Net current (liabilities)/assets</b>			<u>(55,489)</u>		<u>155,926</u>
<b>Total assets less current liabilities</b>			28,168,343		28,638,063
Creditors: amounts falling due after more than one year	17		<u>(42,154)</u>		<u>(79,121)</u>
<b>Net assets excluding pension liability</b>			28,126,189		28,558,942
Defined benefit pension scheme liability	25		<u>(6,949,000)</u>		<u>(4,888,000)</u>
<b>Total Net assets</b>			<u>21,177,189</u>		<u>23,670,942</u>
<b>Funds of the Academy Trust:</b>					
<b>Restricted funds</b>	19				
- Restricted fixed asset funds			27,448,525		27,957,482
- Restricted income funds					-
- Pension reserve			<u>(6,949,000)</u>		<u>(4,888,000)</u>
<b>Total restricted funds</b>			20,499,525		23,069,482
<b>Unrestricted income funds</b>	19		<u>677,664</u>		<u>601,460</u>
<b>Total funds</b>			<u>21,177,189</u>		<u>23,670,942</u>

As permitted by s408 Companies Act 2006, the Trust has not presented its own income and expenditure and related notes as it prepares group accounts. The Trust's deficit of income and expenditure for the year was £2,493,754 (2018 surplus £20,093,529).

The financial statement on pages 36 to 66 were approved by the board of Trustees and authorised for issue on 8 December 2019 and are signed on their behalf by

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P Fearnley  
Chair



G Fitzpatrick  
Chief Executive Officer (Accounting Officer)

# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	2019		2018	
		Group £	Trust £	Group £	Trust £
<b>Cash flows from operating activities</b>					
Net cash provided by/(used in) operating activities	23	47,775	77,567	468,255	447,956
Cash funds transferred on schools joining the trust		-	-	290,897	232,846
		<u>47,775</u>	<u>77,567</u>	<u>759,152</u>	<u>680,802</u>
<b>Investing activities</b>					
Interest received		962	962	955	955
Capital grants from DfE		94,638	94,638	116,001	116,001
Purchase of tangible fixed assets		<u>(745,942)</u>	<u>(745,210)</u>	<u>(640,656)</u>	<u>(640,656)</u>
<b>Net cash (used in) investing activities</b>		<u>(650,342)</u>	<u>(649,610)</u>	<u>(523,700)</u>	<u>(523,700)</u>
<b>Net (decrease)/increase in cash and cash equivalents in the reporting period</b>		<u>(602,567)</u>	<u>(572,043)</u>	<u>235,452</u>	<u>157,102</u>
Cash and cash equivalents at beginning of the year		1,271,807	1,193,457	1,036,355	1,036,355
Cash and cash equivalents at end of the year		<u>669,240</u>	<u>621,414</u>	<u>1,271,807</u>	<u>1,193,457</u>



# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2019

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#### 1 Accounting policies

##### General information

St Cuthbert's Roman Catholic Academy Trust is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the Trustees' report.

The group consists of St Cuthbert's Roman Catholic Academy Trust and its controlled entity St Mary's College Sports Development Company.

##### Basis of preparation

The financial statements of the Academy Trust 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 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006. The Academy Trust is a public benefit entity under FRS 102 and has therefore applied the relevant public benefit requirements of FRS 102.

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.

The financial statements are presented in sterling which is also the functional currency of the Academy Trust.

Monetary amounts in these financial statements are rounded to the nearest whole pound.

##### Basis of consolidation

The consolidated financial statements include the Trust and its subsidiary St Mary's College Sports Development Company, a registered charity (acquired on transfer of St Mary's College to the Trust on 1 October 2017) controlled by the Group. Control is achieved where the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Subsidiaries acquired are consolidated using the purchase method. All financial statements are made up to 31 August 2019. The Company is consolidated as the Trust exercises control over the Company.

All intra-group transactions, balances and unrealised gains on transactions between group entities are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group.

##### Going concern

The Board of Trustees has a reasonable expectation that the Academy Trust has the resources to adequately operate for the foreseeable future and maintain solvency. The Trust currently manages its solvency through a combination of a robust budget setting process and a regular review of the budget against actual income and expenditure for each setting. The Trust has prepared cash flow forecasts to December 2020 and financial forecasts to August 2022 to support the going concern conclusion adopted. In addition, the Trust operates with a manageable liquid cash balance and manages income and payments closely to ensure any potential risks to this are identified early. At the year-end cash at bank is £669,240. For this reason, it continues to adopt the going concern basis in preparing financial statements.

The Multi Academy Trust is reporting a deficit of £2,637,636 (2018: surplus of £21,809,030). Future income will be secured based on an annual grant from the Department for Education. Therefore, the Trust financial statements have been prepared on the going concern basis.

# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

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#### 1 Accounting policies (Continued)

##### **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.

##### Other income

Other income, including the hire of facilities, is recognised at fair value of the consideration received or receivable in the period it is receivable and to the extent the Academy Trust has provided the goods or services.

##### Donated goods, facilities and services

Gifts in kind, being the gift of a fixed asset, are measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and 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.

Donated services are measured on the basis of the value of the gift to the Academy Trust.

##### **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.

# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

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#### 1 Accounting policies (Continued)

##### 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 to further its charitable aims for the benefit of the beneficiaries, including support costs and costs relating to the governance of the Academy Trust apportioned to charitable activities.

##### **Tangible fixed assets and depreciation**

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Subsequent costs are capitalised only when it is probable that such costs will generate future economic benefits. All other costs of repairs and maintenance are charged to the statement of financial activities as incurred.

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. 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.

Land and buildings owned by the Diocese of Middlesbrough are held under a licence agreement to occupy. The right to use these tangible fixed assets is recognised by the Trust as the Trust has the right to the future economic benefits reflecting the value of its continuing use of the land and buildings.

Depreciation is provided on all tangible fixed assets, so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Leasehold land	Over the residual life of the lease (125 years)
Leasehold buildings	Between 10 and 50 years
Leasehold buildings improvements	4% to 10% on a straight line basis
Computer equipment	25% to 33% on a straight line basis
Fixtures, fittings and equipment	20% on a straight line basis

# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

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#### 1 Accounting policies (Continued)

##### **Tangible fixed assets and depreciation (Continued)**

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.

##### **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.

##### **Leased assets**

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

##### **Financial instruments**

The Academy Trust has chosen to adopt Sections 11 and 12 of FRS 102 in full in respect of financial instruments.

##### Financial assets and liabilities

Financial assets and financial liabilities are recognised when the Academy Trust becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. A financial asset or financial liability that is payable or receivable in one year is measured at the undiscounted amount expected to be received or paid net of impairment, unless it is a financing transaction. If an agreement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and financial liabilities are offset only when there is a current legally enforceable right to set off the recognised amounts and the intention to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

##### Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flow expire or are settled, or substantially all the risks and the rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.



# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

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#### 1 Accounting policies (Continued)

##### **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.

##### **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'), which are multi-employer defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a projected unit method. The TPS is a multi-employer scheme but there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

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 reporting date. The amounts charged to net income 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.

##### **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 Education and Skills Funding Agency/Department for Education.

##### **Agency Arrangements**

The Academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the Trust does not have control over the charitable application of the funds.

# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

#### 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.

##### *Defined benefit pension scheme*

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 25, 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.

##### *Useful economic lives of tangible assets*

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 13 for the carrying amount of the property plant and equipment, and the accounting policies for the useful economic lives for each class of assets.

##### *Recognition of Diocese land and buildings*

The recognition of the right to use Diocese owned land and buildings is based on the principles-based approach driven by FRS102. Whilst the legal title has not been transferred to the Trust, the Trustees have assessed that the Trust has the right to the future economic benefit from their use and in accordance with their substance and not legal form the value of their continuing use have been accounted for in these financial statements.

#### 3 Donations and capital grants

Notes	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Capital grants	-	453,754	453,754	116,001
Other donations	172,882	-	172,882	127,600
	<u>172,882</u>	<u>453,754</u>	<u>626,636</u>	<u>243,601</u>

The income from donations and capital grants was £626,636 (2018: £243,601) of which £172,882 was unrestricted (2018: £127,600) and £453,754 was restricted fixed assets (2018: £116,001).

# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

### 4 Funding for the Academy Trust's educational operations

Notes	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
<b>DfE / ESFA grants</b>				
General annual grant (GAG)	-	17,017,970	17,017,970	15,549,842
Other DfE group grants	-	1,868,880	1,868,880	1,418,722
	-	18,886,850	18,886,850	16,968,564
<b>Other government grants</b>				
Local authority grants	-	1,308,611	1,308,611	830,372
Other incoming resources	-	32,926	32,926	10,000
	-	20,228,387	20,228,387	17,808,936

The income from funding for educational operations was £20,228,387 (2018: £17,808,936) of which £20,228,387 was restricted (2018: £17,808,936).

### 5 Other trading activities

Notes	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Hire of facilities	117,340	-	117,340	102,445
Catering income	503,993	-	503,993	349,204
Music tuition	70,681	-	70,681	43,946
Other income	1,561,228	-	1,561,228	1,602,174
	2,253,242	-	2,253,242	2,097,769

The income from other trading activities was £2,357,436 (2018: £2,097,769) of which £2,357,436 was unrestricted (2018: £2,097,769).

### 6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Interest from short term deposits	962	-	962	955

The income from funding for investment income was £962 (2018: £955) of which £962 was unrestricted (2018: £955).

# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

### 7 Expenditure

	Non Pay Expenditure			Total 2019	Total 2018
	Staff costs £	Premises £	Other £	£	£
Academy's educational operations					
- Direct costs	15,359,601	895,147	1,621,548	17,876,296	16,345,086
- Allocated support costs	3,216,921	840,571	2,655,075	6,712,567	5,862,117
Total costs	18,576,522	1,735,718	4,276,623	24,588,863	22,207,203

### Net (expenditure)/Income for the year includes:

	Total 2019	Total 2018
	£	£
Operating lease rentals	53,780	43,473
Depreciation of tangible fixed assets	1,039,522	892,716
Net interest on defined benefit pension liability	146,000	134,000
Fees payable to RSM UK Audit LLP and its associates in respect of both audit and non-audit services are as follows:		
- Audit	34,500	25,000
- Other services	8,055	4,500

### 8 Charitable activities

	Total 2019	Total 2018
	£	£
<b>Direct costs</b>		
Educational operations – unrestricted	2,347,415	2,527,947
Educational operations – restricted	15,528,881	13,817,139
<b>Support costs</b>		
Educational operations – restricted	6,712,567	5,862,117
	24,588,863	22,207,203

The expenditure on charitable activities was £24,588,863 (2018: £22,207,203) of which £2,347,415 was unrestricted (2018: £2,527,947), £22,241,448 was restricted (2018: £19,679,256) and £1,039,522 was restricted fixed assets (2018: £892,716).

	Total 2019	Total 2018
	£	£
<b>Analysis of support costs</b>		
Support staff costs	3,216,921	3,074,858
Depreciation	40,806	72,515
Technology costs	166,681	76,195
Premises costs	840,571	930,559
Other support costs	2,241,757	1,441,619
Governance costs	205,831	266,371
	6,712,567	5,862,117



# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

### 9 Staff

	Total 2019 £	Total 2018 £
<b>Staff costs</b>		
Staff costs during the year were:		
Wages and salaries	14,116,718	12,682,535
Social security costs	1,264,452	1,051,272
Pension costs	3,070,859	2,835,090
Staff costs	18,452,029	16,568,897
Agency staff costs	124,493	284,101
Staff restructuring costs	-	36,799
Total staff expenditure	<u>18,576,522</u>	<u>16,889,797</u>
Staff restructuring costs comprise:		
Redundancy payments	-	7,141
Non-contractual severance payments	-	29,658
	<u>-</u>	<u>36,799</u>

### Non statutory/ non-contractual staff severance payments

Individual payments for non-statutory/ non-contractual payments were £nil (2018:£29,658).

### Staff numbers

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

	2019 Number	2018 Number
Teachers	262	226
Administration and support	343	355
Management	45	35
	<u>650</u>	<u>616</u>

# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

#### 9 Staff (continued)

##### Higher paid staff

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

	2019 Number	2018 Number
£60,001 - £70,000	5	2
£70,001 - £80,000	4	4
£80,001 - £90,000	2	1
£90,001 - £100,000	1	1
£100,001 - £110,000	2	1
£220,001 - £230,000	1	1

##### Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the executive leadership team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £853,198 (2018: £757,250).

#### 10 Central services

The Academy Trust has provided the following central services to its academies during the year:

- Executive leadership;
- Chief Financial Officer and Finance Support;
- Payroll;
- HR;
- Safeguarding;
- Legal and professional services;
- IT service; and
- School Improvement

The Academy Trust charges for these services on the following basis:

- Between 7% and 8% of GAG income

The amounts charged during the year were as follows:

	2019 £	2018 £
Endsleigh Holy Child Voluntary Catholic Academy	81,478	66,404
St Mary Queen of Martyrs' Voluntary Catholic Academy	89,217	80,528
St Richard's Voluntary Catholic Academy	109,640	93,080
St Vincent's Voluntary Catholic Academy	66,367	50,453
St Charles' Voluntary Catholic Academy	69,955	73,709
St Anthony's Voluntary Catholic Academy	74,715	61,325
St Thomas More Voluntary Catholic Academy	54,944	41,142
St Mary's College Voluntary Catholic Academy	686,018	555,115
	<u>1,232,334</u>	<u>1,021,756</u>

# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

#### 11 Trustees' remuneration and expenses

None of the Trustees were paid remuneration or has received other benefits from any employment with the Academy Trust.

The value of Trustees' remuneration and other benefits was £Nil (2018:£Nil).

During the year ended 31 August 2019, travel and subsistence expenses totalling £Nil (2018: £Nil) were reimbursed or paid directly to nil Trustees (2018: Nil).

Other related party transactions involving the Trustees are set out in note 26.

#### 12 Trustees and officers insurance

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 £5,000,000 on any one claim and the cost for the year ended 31 August 2019 was £8,960 (2018: £1,456). The cost of this insurance is included in the total insurance cost.

#### 13 Tangible fixed assets

	Leasehold land and buildings £	Computer equipment £	Fixtures, fittings and equipment £	Total £
<b>Cost</b>				
At 1 September 2018	32,080,867	170,415	694,040	32,945,322
Transfer on reclassification	-	198,775	(198,775)	-
Additions	70,367	559,634	115,941	745,942
At 31 August 2019	32,151,234	928,824	611,206	33,691,264
<b>Depreciation and Impairment</b>				
At 1 September 2018	3,293,610	128,964	299,476	3,722,050
Charge for the year	878,719	106,532	54,271	1,039,522
Impairment in the year	113,021	-	-	113,021
At 31 August 2019	4,285,350	235,496	353,747	4,874,593
<b>Carrying amount</b>				
At 31 August 2019	27,865,884	693,328	257,459	28,816,671
At 31 August 2018	28,787,257	41,451	394,564	29,223,272

The Impairment detailed above relates to a building on the site of St Mary's College which was being demolished at the year-end in order to make way for a new building which will not be ready for use by the Trust until the 2020/2021 academic year.

# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

#### 13 Tangible fixed assets (continued)

##### Trust

	Leasehold land and buildings	Computer equipment	Fixtures, fittings and equipment	Total
	£	£	£	£
<b>Cost</b>				
At 1 September 2018	29,154,390	170,415	460,631	29,785,436
Transfer on reclassification	-	198,775	(198,775)	-
Additions	70,367	559,634	115,210	745,211
At 31 August 2019	29,224,757	928,824	377,066	30,530,647
<b>Depreciation</b>				
At 1 September 2018	1,098,633	128,964	75,702	1,303,299
Impairment in the year	113,021	-	-	113,021
Charge for the year	732,419	106,532	51,544	890,495
At 31 August 2019	1,944,073	235,496	127,246	2,306,815
<b>Net book value</b>				
At 31 August 2019	27,280,684	693,328	249,820	28,223,832
At 31 August 2018	28,055,757	41,451	384,929	28,482,137

A valuation of the buildings was undertaken on a depreciated replacement cost basis by Sanderson Weatherall, Chartered Surveyors. A summary of the valuation is included below.

Included within leasehold land and buildings is £7,647,852 (2018: £7,710,030) relating to long leasehold land.

Where the land and buildings, including the value of the continuing right to use Diocese land and buildings at St Cuthbert's Roman Catholic Academy Trust are operated from is owned by the local authority and Diocese, the occupancy is made available to use under the terms of supplemental agreements. The substance of these arrangements is such that St Cuthbert's Roman Catholic Academy Trust is able to obtain future economic benefit from use of the assets. The land and buildings are therefore recognised in the balance sheet at fair value at the time of conversion.

Included within land and buildings are the following items stated at fair value:

Description	Effective date	Value of land £	Value of buildings £	Carrying value if held under the cost model £
St Mary Queen of Martyrs Voluntary Catholic Academy	15 May 2014	215,000	750,000	-
Endsleigh Holy Child Voluntary Catholic Academy	15 May 2014	365,000	695,000	-
St Vincent's Voluntary Catholic Academy	15 May 2014	150,000	640,000	-
St Richard's Voluntary Catholic Academy	15 May 2014	685,000	1,465,000	-
St Mary's College Voluntary Catholic Academy	1 October 2017	4,915,000	13,360,000	-
St Anthony's Voluntary Catholic Academy	1 October 2017	155,000	865,000	-
St Thomas More Voluntary Catholic Academy	1 October 2017	880,000	1,340,000	-
St Charles' Voluntary Catholic Academy	1 October 2017	440,000	700,000	-



# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

### 14 Debtors

	Group 2019 £	Trust 2019 £	Group 2018 £	Trust 2018 £
Trade debtors	50,283	50,283	66,120	66,120
Amounts owed by group undertakings	-	-	-	30,000
Other debtors	589,483	581,088	127,914	122,401
Prepayments and accrued income	443,557	440,946	377,973	374,557
	<u>1,083,323</u>	<u>1,072,317</u>	<u>572,007</u>	<u>593,078</u>

### 15 Creditors: amounts falling due within one year

	Group 2019 £	Trust 2019 £	Group 2018 £	Trust 2018 £
Trade creditors	792,837	787,834	735,618	733,145
Other taxation and social security	313,195	311,108	300,533	296,079
Other creditors	293,629	293,629	303,278	303,278
Accruals and deferred income (see note 16)	357,612	356,649	302,093	298,107
	<u>1,757,273</u>	<u>1,749,220</u>	<u>1,641,522</u>	<u>1,630,609</u>

Deferred income at the period end is made up of Universal Infant Free School Meal funding for the period September 2019 to March 2020, rates relief for the same period and trip income for the period September 2019 onwards.

### 16 Deferred income (Group and Trust)

	2019 £	2018 £
Deferred income is included within:		
Creditors due within one year	<u>197,034</u>	<u>186,566</u>
Deferred income at 1 September 2018	186,586	100,364
Released from previous years	(186,586)	(100,364)
Resources deferred in the year	<u>197,034</u>	<u>186,566</u>
<b>Deferred income at 31 August 2019</b>	<u>197,034</u>	<u>186,566</u>

# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

#### 17 Creditors: amounts falling after more than one year

	Group 2019 £	Trust 2019 £	Group 2018 £	Trust 2018 £
Trade creditors	-	-	26,369	26,369
Other creditors	42,154	42,154	52,752	52,752
	<u>42,154</u>	<u>42,154</u>	<u>79,121</u>	<u>79,121</u>

Included within other creditors is an amount due of £52,154, with £10,000 due within the year, (2018: £57,752) to the Diocese of Middlesbrough repayable at £10,000 per annum.

#### 18 Financial instruments

	2019 £	2018 £
<b>Group</b>		
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	<u>808,330</u>	<u>360,191</u>
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	<u>1,289,197</u>	<u>1,233,544</u>
<b>Trust</b>		
<b>Carrying amount of financial assets</b>		
Measured at amortised cost	<u>799,935</u>	<u>379,678</u>
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	<u>1,283,231</u>	<u>1,231,071</u>

# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

### 19 Funds Group

	Balance at 1 September 2018	Income	Expenditure	Gains, losses and transfers	Balance at 31 August 2019
	£	£	£	£	£
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	17,017,970	(17,017,970)	-	-
Other DfE / ESFA grants	-	1,868,880	(1,868,880)	-	-
Other government grants	-	1,308,611	(1,308,611)	-	-
Other restricted funds	-	32,926	(32,926)	-	-
Pension reserve	(4,888,000)	-	(903,000)	(1,158,000)	(6,949,000)
	<u>(4,888,000)</u>	<u>20,228,387</u>	<u>(21,131,387)</u>	<u>(1,158,000)</u>	<u>(6,949,000)</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	28,670,249	-	(1,096,419)	-	27,573,830
DfE group capital grants	28,368	453,754	(7,092)	-	475,030
	<u>28,698,617</u>	<u>453,754</u>	<u>(1,103,511)</u>	<u>-</u>	<u>28,048,860</u>
<b>Total restricted funds</b>	<u>23,810,617</u>	<u>20,682,141</u>	<u>(22,234,898)</u>	<u>(1,158,000)</u>	<u>21,099,860</u>
<b>Unrestricted funds</b>					
General funds	<u>647,826</u>	<u>2,427,086</u>	<u>(2,353,965)</u>	<u>-</u>	<u>720,947</u>
<b>Total funds</b>	<u>24,458,443</u>	<u>23,109,227</u>	<u>(24,588,863)</u>	<u>(1,158,000)</u>	<u>21,820,807</u>

# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

#### 19 Funds (continued) Trust

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	17,017,970	(17,017,970)	-	-
Other DfE / ESFA grants	-	1,868,880	(1,868,880)	-	-
Other government grants	-	1,308,611	(1,308,611)	-	-
Other restricted funds	-	32,926	(32,926)	-	-
Pension reserve	(4,888,000)	-	(903,000)	(1,158,000)	(6,949,000)
	<u>(4,888,000)</u>	<u>20,228,387</u>	<u>(21,131,387)</u>	<u>(1,158,000)</u>	<u>(6,949,000)</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	27,929,114	-	(955,619)	-	26,973,495
DfE group capital grants	28,368	453,754	(7,092)	-	475,030
	<u>27,957,482</u>	<u>453,754</u>	<u>(962,711)</u>	<u>-</u>	<u>27,448,525</u>
<b>Total restricted funds</b>	<u>23,069,482</u>	<u>20,682,141</u>	<u>(22,094,098)</u>	<u>(1,158,000)</u>	<u>20,499,525</u>
<b>Unrestricted funds</b>					
General funds	<u>601,460</u>	<u>2,380,080</u>	<u>(2,303,876)</u>	<u>-</u>	<u>677,664</u>
<b>Total funds</b>	<u>23,670,942</u>	<u>23,062,221</u>	<u>(24,397,974)</u>	<u>(1,158,000)</u>	<u>21,177,189</u>

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

General Annual Grant (GAG) must be used for the normal running costs of the Academy. Under the Trust's Funding Agreement with the Secretary of State, the Academy Trust was not subject to a limit GAG which could be carried forward at 31 August 2019.

Restricted General Funds are made up of various revenue grants which are defrayed throughout the year on specific educational needs.

Restricted Fixed Asset Funds represent reserves of the charity that are specifically designated for capital.

Unrestricted funds relate to funds generated from individual schools integrating with the Academy Trust and from self-generated income by the Academy Trust.



# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

#### 19 Funds prior year – Group

	Balance at 1 September 2017 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	136,604	15,549,842	(15,686,446)	-	-
Other DfE / ESFA grants	-	1,418,722	(1,418,722)	-	-
Other government grants	-	830,372	(830,372)	-	-
Other restricted funds	-	10,000	(10,000)	-	-
Pension reserve	(2,816,000)	(2,159,000)	(841,000)	928,000	(4,888,000)
	<u>(2,679,396)</u>	<u>15,649,936</u>	<u>(18,786,540)</u>	<u>928,000</u>	<u>(4,888,000)</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	4,540,268	24,796,559	(666,578)	-	28,670,249
DfE group capital grants	138,505	116,001	(226,138)	-	28,368
	<u>4,678,773</u>	<u>24,912,560</u>	<u>(892,716)</u>	<u>-</u>	<u>28,698,617</u>
<b>Total restricted funds</b>	<u>1,999,377</u>	<u>40,562,496</u>	<u>(19,679,256)</u>	<u>928,000</u>	<u>23,810,617</u>
<b>Unrestricted funds</b>					
General funds	650,036	2,526,497	(2,528,707)	-	647,826
<b>Total funds</b>	<u>2,649,413</u>	<u>43,088,993</u>	<u>(22,207,963)</u>	<u>928,000</u>	<u>24,458,443</u>

<b>Funds prior year – Trust</b>	Balance at 1 September 2017 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	136,604	15,549,842	(15,686,446)	-	-
Other DfE / ESFA grants	-	1,418,722	(1,418,722)	-	-
Other government grants	-	830,372	(830,372)	-	-
Other restricted funds	-	10,000	(10,000)	-	-
Pension reserve	(2,816,000)	(2,159,000)	(841,000)	928,000	(4,888,000)
	<u>(2,679,396)</u>	<u>15,649,936</u>	<u>(18,786,540)</u>	<u>928,000</u>	<u>(4,888,000)</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	4,540,268	23,905,968	(517,122)	-	27,929,114
DfE group capital grants	138,505	116,001	(226,138)	-	28,368
	<u>4,678,773</u>	<u>24,021,969</u>	<u>(743,260)</u>	<u>-</u>	<u>27,957,482</u>
<b>Total restricted funds</b>	<u>1,999,377</u>	<u>39,671,905</u>	<u>(19,529,800)</u>	<u>928,000</u>	<u>23,069,482</u>
<b>Unrestricted funds</b>					
General funds	650,036	2,415,419	(2,463,995)	-	601,460
<b>Total funds</b>	<u>2,649,413</u>	<u>42,087,324</u>	<u>(21,993,795)</u>	<u>928,000</u>	<u>23,670,942</u>

# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

#### 19 Funds (Continued)

	Group 2019 £	Trust 2019 £	Group 2018 £	Trust 2018 £
<b>Total funds analysis by academy</b>				
Fund balances at 31 August were allocated as follows:				
Endsleigh Holy Child Voluntary Catholic Academy	210,249	210,249	276,065	276,065
St Mary Queen of Martyrs' Voluntary Catholic Academy	199,866	199,866	317,325	317,325
St Richard's Voluntary Catholic Academy	(11,849)	(11,849)	(24,984)	(24,984)
St Vincent's Voluntary Catholic Academy	133,162	133,162	232,559	232,559
St Charles' Voluntary Catholic Academy	118,965	118,965	100,230	100,230
St Anthony's Voluntary Catholic Academy	138,569	138,569	124,471	124,471
St Thomas More Voluntary Catholic Academy	(129,862)	(129,862)	(142,236)	(142,236)
St Mary's College Voluntary Catholic Academy	18,564	18,564	9,112	9,112
St Mary's College Sports Development Company	43,283	-	46,366	-
Central services	-	-	(291,082)	(291,082)
Total before fixed assets fund and pension reserve	<u>720,947</u>	<u>677,664</u>	<u>647,826</u>	<u>601,460</u>
Restricted fixed asset fund	28,048,860	27,448,525	28,698,617	27,957,482
Pension reserve	<u>(6,949,000)</u>	<u>(6,949,000)</u>	<u>(4,888,000)</u>	<u>(4,888,000)</u>
Total funds	<u>21,820,807</u>	<u>21,177,189</u>	<u>24,458,443</u>	<u>23,670,942</u>

The above funds in deficit are being closely monitored by management. Income and costs are being reviewed with the aim of returning the school's funds to a surplus within two academic years.

# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

#### 19 Funds (continued)

#### Total cost analysis by academy – group

Expenditure incurred by each academy during the year was as follows:

	Teaching and educational support staff	Other support staff costs	Educational supplies	Other costs excluding depreciation	Total 2019	Total 2018
	£	£	£	£	£	£
Endsleigh Holy Child Voluntary Catholic Academy	856,246	100,032	37,588	312,745	1,306,611	1,329,298
St Mary Queen of Martyrs' Voluntary Catholic Academy	1,049,911	143,614	34,848	307,231	1,535,604	1,553,527
St Richard's Voluntary Catholic Academy	1,243,843	166,744	53,278	283,675	1,747,540	1,895,611
St Vincent's Voluntary Catholic Academy	657,319	116,720	28,371	188,248	990,658	1,043,432
St Charles' Voluntary Catholic Academy	631,469	109,708	36,080	238,051	1,015,308	979,946
St Anthony's Voluntary Catholic Academy	683,126	127,061	42,104	308,206	1,160,497	977,832
St Thomas More Voluntary Catholic Academy	693,101	83,769	26,110	141,275	944,255	950,023
St Mary's College Voluntary Catholic Academy	8,737,248	1,217,730	389,461	1,795,112	12,139,551	11,216,238
St Mary's Sports Development Company	-	-	-	154,828	154,828	148,307
Central services	807,338	394,543	74,542	262,045	1,538,468	1,221,033
Non attributable pension costs	-	757,000	-	146,000	903,000	-
	<u>15,359,601</u>	<u>3,216,921</u>	<u>722,382</u>	<u>4,138,416</u>	<u>23,436,320</u>	<u>21,315,247</u>

# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

#### 19 Funds (continued)

#### Total cost analysis by academy - Trust

Expenditure incurred by each academy during the year was as follows:

	Teaching and educational support staff	Other support staff costs	Educational supplies	Other costs excluding depreciation	Total 2019	Total 2018
	£	£	£	£	£	
Endsleigh Holy Child Voluntary Catholic Academy	856,246	100,032	37,588	312,745	1,306,611	1,329,298
St Mary Queen of Martyrs' Voluntary Catholic Academy	1,049,911	143,614	34,848	307,231	1,535,604	1,553,527
St Richard's Voluntary Catholic Academy	1,243,843	166,744	53,278	283,675	1,747,540	1,895,611
St Vincent's Voluntary Catholic Academy	657,319	116,720	28,371	188,248	990,658	1,043,432
St Charles' Voluntary Catholic Academy	631,469	109,708	36,080	238,051	1,015,308	979,946
St Anthony's Voluntary Catholic Academy	683,126	127,061	42,104	308,206	1,160,497	977,832
St Thomas More Voluntary Catholic Academy	693,101	83,769	26,110	141,275	944,255	950,023
St Mary's College Voluntary Catholic Academy	8,737,248	1,217,730	389,461	1,795,112	12,139,551	11,299,833
Central services	807,338	394,543	74,542	262,045	1,538,468	1,221,033
Non attributable pension costs	-	757,000	-	146,000	903,000	-
	<u>15,359,601</u>	<u>3,216,921</u>	<u>722,382</u>	<u>3,982,588</u>	<u>23,281,492</u>	<u>21,250,535</u>



# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

#### 20 Analysis of net assets between funds Group

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
<b>Fund balances at 31 August 2019 are represented by</b>				
Tangible fixed assets	767,811	-	28,048,860	28,816,671
Current assets	170,993	1,222,454	359,116	1,752,563
Creditors falling due within one year	(217,857)	(1,180,300)	(359,116)	(1,757,273)
Creditors falling due after one year	-	(42,154)	-	(42,154)
Defined benefit pension liability	-	(6,949,000)	-	(6,949,000)
<b>Total net assets</b>	<b>720,947</b>	<b>(6,949,000)</b>	<b>28,048,860</b>	<b>21,820,807</b>

#### Analysis of net assets between funds Trust

#### Fund balances at 31 August 2019 are represented by:

Tangible fixed assets	775,307	-	27,448,525	28,223,832
Current assets	170,993	1,163,622	359,116	1,693,731
Creditors falling due within one year	(268,636)	(1,121,468)	(359,116)	(1,749,220)
Creditors falling due after one year	-	(42,154)	-	(42,154)
Defined benefit pension liability	-	(6,949,000)	-	(6,949,000)
<b>Total net assets</b>	<b>677,664</b>	<b>(6,949,000)</b>	<b>27,448,525</b>	<b>21,177,189</b>

#### Analysis of net assets between funds Group – prior year

Tangible fixed assets	524,655	-	28,698,617	29,223,272
Current assets	123,171	1,720,643	-	1,843,814
Creditors falling due within one year	-	(1,641,522)	-	(1,641,522)
Creditors due after one year	-	(79,121)	-	(79,121)
Defined benefit pension liability	-	(4,888,000)	-	(4,888,000)
<b>Total net assets</b>	<b>647,826</b>	<b>(4,888,000)</b>	<b>28,698,617</b>	<b>24,458,443</b>

#### Analysis of net assets between funds Trust – prior year

Tangible fixed assets	524,655	-	27,957,482	28,482,137
Current assets	76,805	1,720,643	-	1,786,535
Creditors falling due within one year	-	(1,630,609)	-	(1,630,609)
Creditors due after one year	-	(79,121)	-	(79,121)
Defined benefit pension liability	-	(4,888,000)	-	(4,888,000)
<b>Total net assets</b>	<b>601,460</b>	<b>(4,888,000)</b>	<b>27,957,482</b>	<b>23,670,942</b>

# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

#### 21 Contingent liabilities

In the St Mary's College Sports Development Company, in the event of the leasehold property being disposed of before October 2024 the grant received from Sports England amounting to £2,473,884 may be repayable and VAT recovered of £513,692 may be repayable.

#### 22 Commitments under operating leases

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

	Group 2019 £	Trust 2019 £	Group 2018 £	Trust 2018 £
Amounts due within one year	108,006	108,006	18,902	18,902
Amounts due between one and five years	209,582	209,582	11,726	11,726
	<u>317,588</u>	<u>317,588</u>	<u>30,628</u>	<u>30,628</u>

#### 23 Reconciliation of net income to net cash flow from operating activities

	Group 2019 £	Trust 2019 £	Group 2018 £	Trust 2018 £
Net income for the reporting period (as per statement of financial activities)	(1,479,636)	(1,335,754)	20,881,030	20,093,529
Net surplus on schools transferring into the trust	-	-	(22,937,732)	(21,979,814)
Capital grants from DfE/ESFA	(94,638)	(94,638)	(116,001)	(116,001)
Interest receivable	(962)	(962)	(955)	(955)
Defined pension benefit scheme cost less contributions payable	757,000	757,000	707,000	707,000
Defined benefit pension scheme finance cost	146,000	146,000	134,000	134,000
Depreciation and impairment	<u>1,152,543</u>	<u>1,003,516</u>	<u>892,716</u>	<u>743,260</u>
	480,307	475,162	(439,942)	(418,981)
Increase in debtors	(511,316)	(479,243)	(253,720)	(274,791)
Increase in creditors	78,784	81,648	1,152,641	1,141,728
Debtors and creditors on conversion	<u>-</u>	<u>-</u>	<u>9,276</u>	<u>-</u>
Net cash provided by operating activities	<u>47,775</u>	<u>77,567</u>	<u>468,255</u>	<u>447,956</u>

# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

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#### 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.

#### 25 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 East Riding Pension Fund. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £280,078 (2018 - £274,450) were payable to the schemes at 31 August 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. 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. The TPS is a multi-employer pension plan and there is insufficient information to account for the scheme on as a defined benefit plan so it is accounted for as a defined contribution plan.

#### Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary ("GA"), using normal actuarial principles, conducts a formal actuarial review of the TPS. 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 was carried out as at 31 March 2016 and in accordance with The Public Service Pensions (Valuation and Employer Cost Cap) Directions 2014 except it has been prepared following the Government's decision to pause the operation of the cost control mechanisms at the time when legal challenges were still pending.

#### Valuation of the Teachers' Pension Scheme

The valuation report was published in April 2019. The key results of the valuation and subsequent consultation are:

- Total scheme liabilities for service (pensions currently payable and the estimated cost of future benefits) of £218 billion
- Value of notional assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) of £196 billion
- Notional past service deficit of £22 billion
- Discount rate is 2.4% in excess of CPI.

As a result of the valuation, new employer new employer contributions rates were set at 23.68% of pensionable pay from September 2019 onwards (compared to 16.48% during 2018/19). DfE has agreed to pay a teacher pension employer contribution grant to cover the additional costs during the 2019-20 academic year.

# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

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#### 25 Pension and similar obligations (Continued)

The employer's pension costs paid to the TPS in the period amounted to £1,445,863 (2018: £1,324,366).

#### Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with the assets held in separate Trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 17.5% - 28.6% for employers and 5.5% – 12.5% for employees.

The additional LGPS obligation on transfer of schools relates to the employees of the Academy Trust who were employees transferred as part of the conversion from the maintained school together with new employees who joined the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

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.

The current valuation does not reflect the expected increase in benefits and therefore liability as a result of Guaranteed Minimum Pension ("GMP") equalisation between men and women which is required as a result of the removal of the Additional State Pension. Methodologies for a long-term solution are still being investigated by the Government as set out in the published (January 2018) outcome of the Government Consultation 'Indexation and Equalisation of GMP in Public Sector Pensions Schemes' and therefore the expected impact cannot be reliably estimated and consequently no provision/liability has been recognised.

# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

#### 25 Pension and similar obligations (Continued)

Total contributions made	2019 £	2018 £
Employer's contributions	868,000	812,000
Employees' contributions	262,000	231,000
Total contributions	<u>1,130,000</u>	<u>1,043,000</u>

#### Principal actuarial assumptions

The following information is based upon a full actuarial valuation of the fund at 31 March 2016 updated to 31 August 2019 by a qualified independent actuary.

	2019 %	2018 %
Rate of increase in salaries	2.1	2.5 - 2.6
Rate of increase for pensions in payment/inflation	2.1	2.3 - 2.4
Discount rate for scheme liabilities	<u>2.0</u>	<u>2.8</u>

The assumed life expectations on retirement age 65 are

	2019 Years	2018 Years
Retiring today		
- Males	20.8	21.7
- Females	23.3	24.2
Retiring in 20 years		
- Males	22.0	23.7
- Females	<u>24.9</u>	<u>26.4</u>

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

	2019 £	2018 £
Equities	5,774,000	4,864,000
Bonds	1,220,000	878,000
Cash	244,000	203,000
Property	895,000	811,000
Total fair value of assets	<u>8,133,000</u>	<u>6,756,000</u>

The actual return on scheme assets was £321,000 (2018: £437,000).



# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

#### 25 Pension and similar obligations (Continued)

##### Amount recognised in the Statement of Financial Activities

	2019 £	2018 £
Current service cost	1,581,000	1,518,000
Net interest cost	146,000	134,000
Past service cost	44,000	1,000
Total operating charge	<u>1,771,000</u>	<u>1,653,000</u>

##### Changes in the present value of defined benefit obligations

	2019 £	2018 £
At 1 September 2018	11,644,000	5,451,000
Obligations acquired on conversion of schools into the Trust on transfer	-	4,868,000
Current service cost	1,581,000	1,518,000
Interest cost	350,000	281,000
Employee contributions	262,000	231,000
Actuarial loss/(gain)	1,275,000	(638,000)
Benefits paid	(74,000)	(68,000)
Past service cost	44,000	1,000
At 31 August 2019	<u>15,082,000</u>	<u>11,644,000</u>

##### Changes in the fair value of the Academy Trust's share of scheme assets

	2019 £	2018 £
At 1 September 2018	6,756,000	2,635,000
Assets acquired on conversion of schools into the Trust on transfer	-	2,709,000
Interest income	204,000	147,000
Return on plan assets (excl. net interest on net defined benefit pension liability)	117,000	290,000
Employer contributions	868,000	812,000
Employee contributions	262,000	231,000
Benefits paid	(74,000)	(68,000)
At 31 August 2019	<u>8,133,000</u>	<u>6,756,000</u>

# ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

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#### 26 Related party transactions

C Fearnley spouse of P Fearnley, chair of the board, is employed by the Academy Trust as a teaching assistant. The appointment was made in open competition and Trustee was not involved in the decision making process regarding appointment.

L Fearnley the mother of P Fearnley, chair of the board, is employed by the Academy Trust as a teacher. The appointment was made in open competition and Trustee was not involved in the decision making process regarding appointment.

M Ward the son of A Ward, a Trustee, is employed by the Academy Trust as a teacher. The appointment was made in open competition and Trustee was not involved in the decision making process regarding appointment.

All transactions involving related parties or connected parties are conducted at arm's length and in accordance with the requirements of the AFH, including notifying the ESFA of all transactions made after 1 April 2019 and obtaining their approval where required, the trust's financial regulations and normal procurement procedures, unless otherwise stated.

During the year St Mary's College Sports Development Company, a company controlled by the Trust, provided sports facilities to the Trust totalling £112,966 (2018: £83,595). The Trust also recharged salary and premises cost to the company totalling £104,194 (2019: £76,366).

# **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

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## **Conclusion**

We have carried out an engagement in accordance with the terms of our engagement letter dated 6 June 2018 and further to the requirements of the Education and Skills Funding Agency ("ESFA") as included in the Academies Accounts Direction 2018 to 2019, to obtain limited assurance about whether the expenditure disbursed and income received by St Cuthbert's Roman Catholic Academy Trust during the period 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.

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 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.

## **Basis for conclusion**

The framework that has been applied is set out in the Academies Accounts Direction 2018 to 2019 Annex B: Regularity Reporting. We are independent of St Cuthbert's Roman Catholic Academy Trust in accordance with the ethical requirements that are applicable to this engagement and we have fulfilled our ethical requirements in accordance with these requirements. We believe the assurance evidence we have obtained is sufficient to provide a basis for our conclusion.

## **Responsibilities of St Cuthbert's Roman Catholic Academy Trust's accounting officer and Trustees**

The accounting officer is responsible, under the requirements of St Cuthbert's Roman Catholic Academy Trust's funding agreement with the Secretary of State for Education dated May 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. The accounting officer is also responsible for preparing the Statement of Regularity, Propriety and Compliance. The Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the proper conduct and financial operation of St Cuthbert's Roman Catholic Academy Trust and appointment of the accounting officer.

## **Reporting Accountant's responsibilities for reporting on regularity**

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.

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 the procedures vary in nature and timing from, and are less in extent than for a reasonable assurance engagement; consequently a limited assurance engagement 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.

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 2018 to 31 August 2019 have not been applied to purposes identified by Parliament or that the financial transactions do not conform to the authorities which govern them.

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including the specific requirements of the funding agreement with the Secretary of State for Education, the Academies Financial Handbook 2018 published by the Education and Skills Funding Agency and high level financial control areas where we identified a material risk of irregularity is likely to arise. It also included areas assessed as presenting a higher risk of impropriety. We undertook detailed testing, on a sample basis, based on the identified areas where a material irregularity is likely to arise, or potential impropriety where such areas are in respect of controls, policies and procedures that apply to classes of transactions. Our work was undertaken with due regard to the 'Evidence to support conclusion on regularity' guidance in Academies Accounts Direction 2018 to 2019.

This work was integrated with our audit on the financial statements and evidence was also derived from the conduct of that audit to the extent it supports the regularity conclusion.

# **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST CUTHBERT'S ROMAN CATHOLIC ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)**

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## **Use of our report**

This report is made solely to St Cuthbert's Roman Catholic Academy Trust and the ESFA in accordance with the terms of our engagement letter dated 6 June 2018. Our work has been undertaken so that we might state to the St Cuthbert's Roman Catholic Academy Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than St Cuthbert's Roman Catholic Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

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Dated: 17 December 2019