

**St Paul's Church of England Academy Trust**

**(A Company Limited by Guarantee)**

**Annual Report and Financial Statements  
Year ended 31 August 2019**

Company Registration Number  
09102276 (England and Wales)

**Feltons  
Chartered Accountants**

**Birmingham  
B1 3JR**

**St Paul's Church of England Academy Trust**  
**(A Company Limited by Guarantee)**

**Report and Financial Statements**  
**Year ended 31 August 2019**

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**St Paul's Church of England Academy Trust  
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**Reference and Administrative Details**

**Members**

Revd Kate Watson  
Mr Robert Hazel  
Mr Craig Taylor  
Mrs Davina Pittaway  
Mr Tom Richards

Foundation Trustee  
Co-opted Trustee (resigned 08/04/2019)  
Co –opted Trustee  
Parent Trustee  
Co-opted Trustee ( appointed 08/07/2019)

**Trustees**

Mr Ray Perrins  
Reverend Allen Bower  
Mrs Lisa Thomas  
Mrs Rose Birmingham  
Mrs Anna McGuire \*  
Mrs Davina Pittaway \*  
Mr Craig Taylor  
Mrs Iris Taylor  
Reverend Kate Watson  
Mr Tom Richards  
Mrs Nicola Hartland  
Mrs Alison Foster  
Reverend Huw Daniel Bishop \*  
Mr Robert Hazel  
Mrs Bobby Rainford

Staff Trustee  
Foundation Trustee  
Parent Trustee  
Parent Trustee (appointed 24/10/2018)  
Principal  
Parent Trustee  
Co-opted Trustee (resigned 22/09/2019)  
Foundation Trustee  
Co-opted Trustee ( appointed 8/07/2019)  
Staff Trustee ( appointed 29/03/19)  
Parent Trustee – Chair (resigned 24/09/2018)  
Foundation Trustee (resigned 24/09/2018)  
Co-opted Trustee ( resigned 8/04/2019)  
Staff Trustee ( resigned 28/03/2019)

**Company secretary**

Anna McGuire

**Senior Leadership Team**

1. Principal
2. Vice Principal
3. Assistant Principal

Anna McGuire  
Kate Winchurch  
Bobby Rainford

**Company name**

St Paul's Church of England Academy Trust

**Principal and registered office**

St Paul's Church of England Academy Trust  
Robert Road  
Tipton  
West Midlands  
DY4 9BH

**St Paul's Church of England Academy Trust**  
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Company registration number	09102276
Independent auditor	Feltons 8 Sovereign Court 8 Graham Street Birmingham B1 3JR
Bankers	Lloyds Bank PLC 63 High Street Dudley DY1 8AA
Solicitors	Irwin Mitchell Riverside East Sheffield S3 8DT



**St Paul's Church of England Academy Trust  
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**Trustees' report for the year ended 31 August 2019**

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

The academy trust operates an academy for pupils aged 3 to 11 serving a catchment area in Tipton it has a pupil capacity of 210 in YR-Y6 and 60 in YN and had a roll of 230 in the school census in October 2019.

**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 trustees of St Paul's Church of England Academy are also the directors of the charitable company for the purposes of company law. The charitable company operates as St Paul's Church of England Academy.

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

**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.

**Trustees' indemnities**

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5 million on any one claim.

**Method of recruitment and appointment or election of Trustees**

Parent trustees are elected by the parents of registered pupils at the academy. A parent trustee must be a parent of a pupil at the academy at the time when she/he is elected.

Community trustees may be appointed by the Board of Trustees provided that the person who is appointed as a community trustee is:

1. A person who lives or works in the community served by the academy; or
2. A person who, in the opinion of the board of trustees, is committed to the government and success of the academy.

Staff Trustees are elected by employees of the academy trust.

The above selection procedures are through a ballot system pro rata to pupil numbers.

**St Paul's Church of England Academy Trust**  
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**Trustees' report for the year ended 31 August 2019 (continued)**

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

The Board of Trustees has a service level agreement with the trustee support department of SIP's Governor Services to provide training, advice and support to the board of trustees.

Newly elected trustees attend induction training for new trustees, and in addition select specific training provided by trustee support in accordance with their needs.

One of the trustees is appointed as link trustee, attends relevant training and provides information to trustees following such training.

The Principal is the leader for professional development in school, and he/she ensures that trustees are provided with opportunities to receive training in accordance with their role, and the school's training plan.

**Organisational structure**

The Board of Trustees has established committees and appoints trustees to serve on each of the committees annually. The committees for the period of the report were:

1. Staffing and Finance
2. Behaviour and Safety
3. Standards and Achievement
4. Pay Committee
5. Principal Appraisal
6. Appeals
7. Staff and Pupil Discipline

The written terms of reference of the committees include the monitoring of the preparation and management of the academy's budget and implementation of the academy's financial management policies, including risk assessment.

The Board of Trustees also appoints a Responsible Officer and this role has been fully implemented in accordance with the academy trust's financial procedures.

Reserved for the Board of Trustees are decisions relating to:

1. Ensuring clarity of vision, ethos and strategic direction
2. Holding the executive leaders to account for the educational performance of the organisation and its pupils and the performance management of staff.
3. Overseeing the financial performance of the organisation and ensuring best value

Those responsibilities delegated to management include

1. The appropriate oversight of financial transactions by:
2. Ensuring that the academy trust's property and assets are under the control of the trustees and measures exist to prevent losses or misuse
3. Ensuring that bank accounts, financial systems and financial records are operated by more than one person
4. Keeping full and accurate accounting records to support their annual accounts

**Arrangements for setting pay and remuneration of key management personnel**

Key Strategic decisions including those relating to the appointment of Principal's and Vice- Principals, Budget allocation and approval, financial policies and Risk Management are reserved for the Board of Trustees.

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**Trustees' report for the year ended 31 August 2019 (continued)**

Those responsibilities delegated to management include staff appointments below Vice – Principal, management of the school budgets, implementation of teaching and learning in accordance with the School Improvement Plan.

**Related parties and other Connected Charities and Organisations**

Revd A Bower is also a Governor at St Martins Tipton. Mrs A McGuire, is related to two LSP's employed by the Academy and is a consultant for Instill Excellence.

**Objectives and activities**

**Objects and aims**

The strategic goal of St Paul's Church of England Academy is to provide a broad and balanced curriculum to all pupils in accordance with the funding agreement between the academy trust and the Department for Education. All that we do within the Academy is underpinned by the mission statement, 'We walk by faith and not by sight, 2 Corinthians 5:7

**Objectives, strategies and activities**

The main objectives for the year are:

1. To continue to maintain the Academy's current 'Good' Ofsted 2018 status through:
2. Improving the quality of teaching so that all groups of pupils in particular disadvantaged pupils make progress
3. Developing leadership at all levels, including new Governors and Curriculum Leadership
4. Raising attainment and progress in Mathematics
5. Raising attainment and progress in English; with a continued particular focus on Reading
6. Further embedding the work on Christian vision and values
7. Prioritising pupil and staff well-being, working towards achieving the Sandwell Well Being Charter Mark
8. Developing school readiness in the EYFS

**Public benefit**

In setting our objectives and planning our activities, the Board of Trustees has given careful consideration to the general guidance on public benefit published by the Charity Commission on their website at [www.gov.uk/topic/running-charity/managing-charity](http://www.gov.uk/topic/running-charity/managing-charity) in exercising their powers or duties.

St Paul's Church of England Academy is an equal opportunity employer, and strives to give full and fair consideration to all applicants for employment, training and promotions, irrespective of disability, gender, race, colour or sexual orientation.

**Strategic Report**

**Achievements and Performance**

The Academy was last inspected by Ofsted in March 2018 and was judged to have maintained its Good Status.

Key inspection points were:

1. The school is a strong nurturing environment, where pupils enjoy learning and feel supported and safe.
2. Governors are an important part of the successful leadership of the school.
3. Parents appreciate the care guidance and support that their children receive
4. Behaviour for learning is well developed

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**Trustees' report for the year ended 31 August 2019 (continued)**

5. Safeguarding is effective and pupils say that they feel safe.
6. The curriculum is broad and balanced; pupils experience a range of subjects as part of their usual timetable, enhanced by a wide range of vibrant extra curriculum activities.

The statutory inspection of Church of England schools SIAM's inspection took place in February 2016. The Academy achieved Outstanding in every area.

**Awards**

1. In 2018 the Academy achieved the Leading Parent Partnership Award
2. In 2018 the Academy achieved the Primary Science Quality Mark
3. In 2018 the Academy achieved the International School Award
4. In 2019 the Academy achieved the Sports Mark Gold Award; for the fourth consecutive year
5. In 2019 the Academy achieved the Music Mark

**Faith**

1. The Worship Committee play a full and active role in the life of the school. They support and plan Worship on a weekly basis
2. The Tipton Youth Project lead Open the Book sessions on a weekly basis as well as an oversubscribed After School Club
3. Pupils put their faith into action through charitable outreach. Pupils have raised money for Macmillan Charity, Downs's syndrome charity, Children in Need and Harvest collections to support a local foodbank.

**Enrichment**

1. Curriculum enrichment opportunities are developed for all pupils through residential trips to for example Condover, educational visits to; Warwick Castle and the Think Tank.
2. A wide range of After School Clubs are offered including; homework, dance and football

**Sports**

1. The school entered over 20 sporting events in Sandwell during the last academic year covering a wide range of activities, with a total of 96 children representing our school teams. This has enabled us reach Gold status targets for our school games application.
2. Five of our school teams (Netball, Tennis, Tri Golf, Multi skills, and SMILE Multi Skills) qualified for the regional Black Country School Games

**Key Performance Indicators**

<b>EYFS Progress 2019</b>		<b>Pass Rate</b>
Achieving good level of development		73%
<b>KS1 Phonics Screening Checks 2019</b>		<b>Pass Rate</b>
Year 1		86%
Year 2 ( Re-sits)		83 %
<b>KS1 Results 2019</b>	<b>Expected Standard</b>	<b>Above Expected</b>
Reading	80%	17%
Writing	77%	7%
Mathematics	83%	17%
<b>KS2 Results 2019</b>	<b>Expected Standard</b>	<b>Above Expected</b>
Reading	73%	27%
Writing	83%	30%
Grammar, Punctuation and Spelling	87%	37%
Mathematics	87%	23%
Reading, Writing and Mathematics	73%	13%

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**Trustees' report for the year ended 31 August 2019 (continued)**

Combined		
<b>Attendance 2018 – 2019</b>	<b>School</b>	<b>P.A.</b>
	96.92%	5.43%

**To ensure that standards are continually raised, the Academy:**

1. Implements a whole school approach to self-evaluation
2. Follows a rigorous monitoring and evaluation programme which ensures that all staff are accountable for the progress of all groups of pupils
3. Tracks the individual progress of all pupils including the identification of vulnerable groups including those receiving Pupil Premium
4. Evaluates trends in all cohorts, planning to meet their need, establishes appropriate interventions and individual plans for pupils with Special Educational Needs and Disabilities, children with specific needs and Gifted and Talented pupils, working with appropriate outside agencies
5. Is committed to the Continued Professional Development of all staff, following a well-established and rigorous appraisal process.

1. Direct costs as a percentage of total costs were 65.5% (2018 : 68.1%)
2. Support costs as a percentage of total costs were 34.5% (2018 : 31.9%)
3. Total payroll costs as a percentage of recurring income were 80.5% (2018 : 79.5%)

**Going concern**

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

**Financial Review**

The financial results of St Paul's Church of England Academy are detailed in the following pages. It is considered that the finances are sound and well established. The principal financial management policies adopted are laid down by the Finance Handbook for Academies published by the ESFA and requirements as laid down by the Academy's Financial Handbook.

The principal funding source is grant income from the ESFA. All expenditure of this grant income is planned to fulfil the objectives and strategies of the Academy.

During the year ended 31 August 2019 total resources expended were £1,297,967 and the deficit of income over expenditure was £58,632 which included depreciation of £17,482.

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**Trustees' report for the year ended 31 August 2019 (continued)**

**Reserves Policy**

The trustees continually monitor the reserves of the charitable company. This process encompasses the nature of income and expenditure streams and the need to match commitments with income and nature of reserves.

It is the board of trustees' general policy to continue to build reserves which can be used for future educational purposes.

The academy had total deficit funds at 31 August 2019 of £999,097 which included £98,922 restricted funds not available for general purposes of the academy trust, £3,507 of free reserves defined as unrestricted funds available for general purposes and £20,474 which can only be realised by the disposal of tangible fixed assets.

The balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds was a surplus of £102,429.

In addition, the deficit on the restricted pension fund of £1,122,000 arises from an actuarial deficit on the local government pension scheme which will be dealt with as advised by the actuary.

The trustees regularly review the level of reserves and aim to maintain them at a minimum of 1 month of expenditure. Budgeted expenditure for 2019/20 is £1,200,410 and hence the minimum target is £100,034. Unrestricted reserves at 31 August 2019 therefore represent 1 month.

**Investment Policy**

Any surplus funds are invested with Lloyds Bank in a deposit account.

These investments are carried out in accordance with the powers vested in the board of trustees.

**Principal Risks and Uncertainties**

The trustees have considered the major risks and uncertainties facing the charitable company which include changes in legislation and regulations and cash flow management and have put in place procedures to deal with these matters.

Attention has also been focussed on non-financial risks arising from fire, health and safety. These risks are managed by ensuring accreditation is up to date, having robust policies in place, and regular awareness training for staff working in these operational areas.

**Fundraising**

The school raises funds via the Parent's Association, to enrich the day to day life of its pupils. In 2018 the Association raised £2000 to fund the installation of a Daily Mile track. The school does not have any connection with any commercial participators or professional fundraisers.

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**Trustees' report for the year ended 31 August 2019 (continued)**

**Plans for Future Periods**

It is the aim of the Trustees to:

1. Continue to improve standards, achievement and the quality of teaching throughout the school.
2. Continue to develop leadership at all levels, including Governance.
3. To ensure that the Religious Education and Christian distinctiveness of the Academy is a priority
4. Continue to enhance the learning environment, improving the space for all groups of pupils both indoors and outdoors.

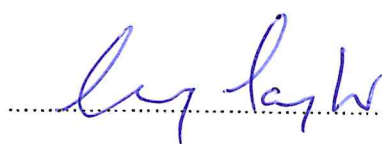
**Funds Held as Custodian Trustee on Behalf of Others**

**Auditor**

Insofar as the Trustees are aware:

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

Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 9 December 2019 and signed on the board's behalf by:



Mr Craig Taylor - Chair of Trustees



**St Paul's Church of England Academy Trust**  
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**Governance statement for the year ended 31 August 2019**

**Scope of Responsibility**

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

The Board of Trustees has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between St Paul's Church of England Academy 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 in the Trustees' Report and in the Statement of Trustees' Responsibilities. The **Board of Trustees** has formally met 4 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

<b>Main Board</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
<b>Trustee</b>		
Mr Ray Perrins	7	7
Mrs Rose Birmingham	5	5
Mrs Lisa Thomas	11	12
Reverend Allen Bower	4	7
Mrs Anna McGuire	19	19
Mrs Davina Pittaway	17	17
Mr Craig Taylor	8	9
Mrs Iris Taylor	6	7
Reverence Kate Watson	15	15
Mr Tom Richards	1	1
Mrs Nicola Hartland	3	3
<b>Served in the last 12 months</b>		
Mr Robert Hazel	3	5
Mrs Bobby Rainford	4	4



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**Governance statement for the year ended 31 August 2019**

A review of governance was undertaken during the year in addition to this the Ofsted Inspection in 2018 indicated that:

1. Governors are highly supportive of the school and are aware of its major strengths and weaknesses
2. Governors have attended regular training and draw on this to support leaders and to provide appropriate challenge to the Principal on key areas of school improvement
3. Governors are highly effective in keeping pupils safe and their commitment to supporting the lead safeguarding officer ensures that this remains a priority in all areas of school life

The trust intends to conduct its next self-evaluation/external review in the Autumn Term 2019

The **Staffing and Finance Committee** is a sub-committee of the main Board of Trustees. Its purpose is to ensure that the Academy Trust delivers good value in the use of public resources.

<b>Finance Committee</b>	<b>Meetings Attended</b>	<b>Out of a possible</b>	<b>Appointment</b>	<b>End of term of Office</b>	<b>Role</b>
Mrs Anna McGuire	6	6	01/03/2015	-	P/ACO
Mrs Lisa Thomas	6	6	01/03/2015	20/05/2022	C
Mrs Davina Pittaway	6	6	01/03/2015	28/02/2019	
Reverend Kate Watson	6	6	25/09/2017	24/09/2021	

<b>Audit Committee</b>	<b>Meetings Attended</b>	<b>Out of a possible</b>	<b>Appointment</b>	<b>End of term of Office</b>	<b>Role</b>
Mrs Anna McGuire	3	3	01/03/2015	-	P/ACO
Mrs Lisa Thomas	3	3	21/05/2018	20/05/2022	
Mrs Davina Pittaway	3	3	01/03/2015	28/02/2019	
Reverend Kate Watson	3	3	25/09/2017	24/09/2021	

**St Paul's Church of England Academy Trust  
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**Governance statement for the year ended 31 August 2019 (continued)**

**Review of value for money**

As Accounting Officer the Principal 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 appropriate. The Accounting Officer for the academy trust has delivered improved value for money during the year by:

**Improving Educational results**

**Targeted Improvement**

Good use of school resources can be demonstrated by the fact that the school has balanced three year Budget. Each year the school determines areas that are targeted for improvement and these are given additional funding. This allows the school to effectively allocate resources in an effective manner, identifying areas for improvement while still obtaining value for money.

Pupil Premium was used to raise standards by providing additional targeted support, equipment and Resources where required. Sustained educational provision and CPD opportunities were provided through the continued employment of a specialist Sports Coach. Sports Premium funding assisted in making this achievable.

**Focus on Individual Pupils**

All pupils receive quality first teaching and support. Interventions are identified and organised by the Vice Principal and SENCo, who ensure that staff deliver quality intervention work to those children who require additional support with their learning and social and emotional development. There is also effective deployment of teaching staff to ensure that the more able pupils are supported to make progress, improving educational achievement and attainment.

We have worked closely with the other Academies in the local community to provide support for pupils, to provide CPD for staff to raise standards and to join together for best financial value also. The school has been able to provide leadership support for schools in the local area.

**Quantifying improvements**

We track pupil progress, this allows us to identify areas where additional support is needed. This enables us to provide support in a targeted and cost effective manner. There are rigorous and robust monitoring systems in place, with a continual review and evaluation of performance systems and procedures

**Financial Performance:**

Budget control and monitoring is undertaken by the Finance Director and presented to the Staffing & Finance Committee half termly. The Committee provide an essential role when assessing the spending and making comparisons with the original budget plan. The Committee may challenge decisions and request additional

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**Governance statement for the year ended 31 August 2019 (continued)**

information to prove the effectiveness of spending or proposed spends. Three quotations are always provided for spending above £1000 and no final decisions are made without the approval of the Committee. Reviews of internal and spending controls are made on a regular basis and amended according to staffing levels. Segregation of duties are paramount. Risks are regularly reviewed. Cash management and bank balances are reconciled at least weekly.

Suppliers are assessed and negotiations take place to secure best value. Contracts are regularly reviewed, assessed and re-negotiated where necessary.

Generation of income is explored and the Academy will further explore reliable streams to generate additional income in the future.

Benchmarking is undertaken and collaboration with local schools and academies are in place to secure best value.

The Academy have engaged the services of an external responsible officer who reports annually to the Staffing and Finance Committee. Interim and final external audits are provided by Feltons.

**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 the academy trust's 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 Paul's Church of England Academy for the year to 31 August 2019 and up to the date of approval of the annual report and financial statements.

**Capacity to handle risk**

The Board of 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 on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year 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 Risk and Control Framework**

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However the trustees have appointed Jaspal Bahat as a Responsible Officer.

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**Governance statement for the year ended 31 August 2019 (continued)**

His role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. In particular the checks carried out in the current period included:

1. Testing of payroll systems
2. Testing of purchase systems
3. Testing of income systems
4. Testing of control accounts / bank reconciliations

On an annual basis, the Responsible Officer reports to the board of trustees, through the Staffing and Finance Committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.


**Review of Effectiveness**

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

1. the work of the internal reviewer
2. the work of the external auditor
3. the work of the School Business Manager
4. the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Staffing and Finance Committee and a plan to address weaknesses (should there be any) and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 9 December 2019 and signed on its behalf by:



Mr Craig Taylor  
Chair of Trustees



Mrs Anna McGuire  
Accounting Officer

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**Statement of regularity, propriety and compliance  
for the year ended 31 August 2019**

As Accounting Officer of St. Paul's Church of England Academy I have considered my responsibility to notify the academy trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy 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 Board of Trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 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.

*Amguire*

..... Mrs Anna McGuire – Accounting Officer

*9/12/19*

..... 2019



**St Paul's Church of England Academy Trust**  
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**Statement of Trustees' Responsibilities**  
**for the year ended 31 August 2019**

The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Academies Accounts Direction published by the Education & 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 to the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the 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 9 December 2019 and signed on its behalf by:



Mr Craig Taylor – Chair of Trustees

**St Paul's Church of England Academy Trust  
(A Company Limited by Guarantee)**

**Independent Auditor's Report on the Financial Statements to the Members of  
St Paul's Church of England Academy Trust**

**Opinion**

We have audited the financial statements of St Paul's Church of England Academy (the 'academy trust') for the period ended 31 August 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the financial statements :

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2019, and of its incoming resources and application of resources, including its income and expenditure, for the period 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
- have been prepared in accordance with the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

**St Paul's Church of England Academy Trust  
(A Company Limited by Guarantee)**

**Independent Auditor's Report on the Financial Statements to the Members of St Paul's Church of England Academy  
(continued)**

**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the trustees' 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.

**Opinion on other matter 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 (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

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



**St Paul's Church of England Academy Trust**  
**(A Company Limited by Guarantee)**

**Independent Auditor's Report on the Financial Statements to the Members of St Paul's Church of England Academy**  
**(continued)**

**Responsibilities for the financial statements**

As explained more fully in the trustees' responsibilities statement (set out on page 16), the trustees (who are also the directors of the academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the academy trust 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:

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the academy trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the academy trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the academy trust to cease to continue as a going concern.

**St Paul's Church of England Academy Trust  
(A Company Limited by Guarantee)**

**Independent Auditor's Report on the Financial Statements to the Members of St Paul's Church of  
England Academy  
(continued)**

**Auditor's responsibilities for the audit of the financial statements (continued)**

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Use of our report**

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

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**David W Farnsworth FCA (Senior Statutory Auditor)**

For and on behalf of Feltons, Statutory Auditor

8 Sovereign Court

8 Graham Street

Birmingham B1 3JR

12 December 2019

**St Paul's Church of England Academy Trust**  
**(A Company Limited by Guarantee)**

**Independent Reporting Accountant's Assurance Report on Regularity to St Paul's Church of England Academy and the Education & Skills Funding Agency**

In accordance with the terms of our engagement letter dated 25 March 2015 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St Paul's Church of England 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.

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

**Respective responsibilities of St Paul's Church of England Academy Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of St Paul's Church of England Academy's funding agreement with the Secretary of State for Education dated 26 February 2015 and the Academies Financial Handbook, extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

**Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusion includes :

- Consideration of the applicable legislation and the academy trust's funding agreement
- Review and evaluation of the academy trust's system of internal controls
- Examination and assessment of the Accounting Officer's statement on Regularity, Propriety and Compliance
- Examination, on a test basis, of third party evidence supporting income and expenditure
- Review of exceptional and unusual items

**St Paul's Church of England Academy Trust**  
**(A Company Limited by Guarantee)**

**Independent Reporting Accountant's Assurance Report on Regularity to St Paul's Church of England Academy and the Education & Skills Funding Agency (continued)**

**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 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.



**David W Farnsworth FCA (Reporting Accountant)**

For and on behalf of Feltons, Statutory Auditor

8 Sovereign Court

8 Graham Street

Birmingham B1 3JR

12 December 2019

**St Paul's Church of England Academy Trust**  
**(A Company Limited by Guarantee)**

**Statement of financial activities for the year ended 31 August 2019**  
**(including income and expenditure account)**

	Notes	Unrestricted funds £	Restricted pension fund £	Restricted general funds £	Restricted fixed asset funds £	Total 2018/19 £	Total 2017/18 (as restated) £
<b>Income from :</b>							
Donations and capital grants	2	36,067	-	-	16,805	52,872	6,565
Charitable activities :	3						
Funding for the academy trust's educational operations		40,399	-	1,145,971	-	1,186,370	1,207,451
Investments	4	93	-	-	-	93	82
<b>Total</b>		<b>76,559</b>	<b>-</b>	<b>1,145,971</b>	<b>16,805</b>	<b>1,239,335</b>	<b>1,214,098</b>
<b>Expenditure on :</b>							
Charitable activities:							
Academy trust's educational operations	5	73,052	73,000	1,134,433	17,482	1,297,967	1,252,536
<b>Total</b>		<b>73,052</b>	<b>73,000</b>	<b>1,134,433</b>	<b>17,482</b>	<b>1,297,967</b>	<b>1,252,536</b>
<b>Net income/(expenditure) before transfers</b>		<b>3,507</b>	<b>(73,000)</b>	<b>11,538</b>	<b>(677)</b>	<b>(58,632)</b>	<b>(38,438)</b>
<b>Transfers between funds</b>	13	-	-	(1,149)	1,149	-	-
<b>Net income/(expenditure) after transfers</b>		<b>3,507</b>	<b>(73,000)</b>	<b>10,389</b>	<b>472</b>	<b>(58,632)</b>	<b>(38,438)</b>
<b>Other recognised gains/(losses)</b>							
Actuarial gains/(losses) on defined benefit pension schemes	13, 21	-	(166,000)	-	-	(166,000)	156,000
<b>Net movement in funds</b>		<b>3,507</b>	<b>(239,000)</b>	<b>10,389</b>	<b>472</b>	<b>(224,632)</b>	<b>117,562</b>
<b>Reconciliation of funds</b>							
Total funds brought forward (as restated)	13	-	(883,000)	88,533	20,002	(774,465)	(892,027)
<b>Total funds carried forward</b>		<b>3,507</b>	<b>(1,122,000)</b>	<b>98,922</b>	<b>20,474</b>	<b>(999,097)</b>	<b>(774,465)</b>

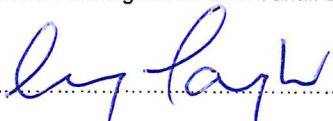
All of the Academy's activities derive from continuing operations during the above two financial periods.

**St Paul's Church of England Academy Trust**  
(A Company Limited by Guarantee)

Company number : 09102276  
Balance sheet as at 31 August 2019

		2019		2018 (as restated)	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	10		20,216		20,002
<b>Current assets</b>					
Debtors	11	53,575		45,425	
Cash at bank and in hand		109,371		100,886	
		<u>162,946</u>		<u>146,311</u>	
<b>Liabilities</b>					
Creditors: amounts falling due within one year	12(a)	<u>39,293</u>		<u>30,963</u>	
<b>Net current assets</b>			123,653		115,348
<b>Total assets less current liabilities</b>			<u>143,869</u>		<u>135,350</u>
Creditors: amounts falling due after more than one year	12(b)		(20,966)		(26,815)
<b>Net assets excluding pension liability</b>			<u>122,903</u>		<u>108,535</u>
Defined benefit pension scheme liability	21		(1,122,000)		(883,000)
<b>Total net assets</b>			<u>(999,097)</u>		<u>(774,465)</u>
<b>Funds of the academy trust :</b>					
<b>Restricted funds</b>					
Fixed asset fund	13	20,474		20,002	
Restricted income fund	13	98,922		88,533	
Pension reserve	13	<u>(1,122,000)</u>		<u>(883,000)</u>	
<b>Total restricted funds</b>			(1,002,604)		(774,465)
<b>Unrestricted income funds</b>	13		3,507		-
<b>Total funds</b>			<u>(999,097)</u>		<u>(774,465)</u>

The financial statements on pages 23 to 46 were approved by the trustees, and authorised for issue on 9 December 2019 and are signed on their behalf by:



Mr Craig Taylor - Chair of Trustees

**St Paul's Church of England Academy Trust**  
**(A Company Limited by Guarantee)**

**Statement of cash flows for the year ended 31 August 2019**

	Notes	2018/19 £	2017/18 £
<b>Cash flows from operating activities</b>			
Net cash provided by / (used in) operating activities	17	9,283	17,040
<b>Cash flows from investing activities</b>	18	(798)	(6,776)
<b>Change in cash and cash equivalents in the reporting period</b>		<hr/> 8,485	<hr/> 10,264
Cash and cash equivalents at 1 September 2018		100,886	90,622
<b>Cash and cash equivalents at 31 August 2019</b>	19	<hr/> 109,371	<hr/> 100,886



**St Paul's Church of England Academy Trust**  
**(A Company Limited by Guarantee)**

**Notes to the financial statements for the year ended 31 August 2019**

**1. Accounting policies**

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

**Basis of preparation**

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

St Paul's Church of England Academy Trust meets the definition of a public benefit entity under FRS 102.

**Going concern**

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

**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 year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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



**St Paul's Church of England Academy Trust**  
**(A Company Limited by Guarantee)**

**Notes to the financial statements for the year ended 31 August 2019 (continued)**

**1. Accounting policies (continued)**

**Income (continued)**

- **Donations**  
Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.
- **Other income**  
Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the academy trust has provided the goods or services.
- **Donated goods, facilities and services**  
Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Upon sale the fair value of the goods is charged against, and the proceeds are recognised as, 'Income from other trading activities'.

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

**Expenditure**

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

- **Expenditure on raising funds**  
This includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.
- **Charitable activities**  
These are costs incurred on the academy trust's educational operations, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

**St Paul's Church of England Academy Trust**  
**(A Company Limited by Guarantee)**

**Notes to the financial statements for the year ended 31 August 2019 (continued)**

**1. Accounting policies (continued)**

**Tangible fixed assets**

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset over its expected useful life as follows:

Fittings and equipment	- 20% straight line
Computer hardware	- 33% straight line

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

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.

The Academy Trust also occupies property held under church supplemental agreements which permit occupancy of the premises with a notice period of two years. The Academy Trust is not able to exercise control over this property and therefore no fixed asset has been recognised in the financial statements. All expenditure in respect of major refurbishment or improvements in respect of these is expensed directly through revenue and matched with the appropriate incoming resources.

**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 under operating leases are charged on a straight line basis over the lease term.

**St Paul's Church of England Academy Trust**  
**(A Company Limited by Guarantee)**

**Notes to the financial statements for the year ended 31 August 2019 (continued)**

**1. Accounting policies (continued)**

**Financial instruments**

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

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

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

**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 part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**Pension benefits**

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

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 prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

**St Paul's Church of England Academy Trust**  
**(A Company Limited by Guarantee)**

**Notes to the financial statements for the year ended 31 August 2019 (continued)**

**1. Accounting policies (continued)**

**Pension benefits (continued)**

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

**Fund accounting**

Unrestricted income funds represent 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 & Skills Funding Agency or Department for Education.

**Critical accounting estimates and areas of judgement**

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

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, 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.

**St Paul's Church of England Academy Trust**  
**(A Company Limited by Guarantee)**

Notes to the financial statements for the year ended 31 August 2019 (continued)

**2. Donations and capital grants**

	Unrestricted funds £	Restricted general fund £	Restricted fixed asset funds £	2018/19 Total £	2017/18 Total £
Capital grants	-	-	16,805	16,805	6,565
	36,067	-	16,805	52,872	6,565
<b>2018 total</b>	-	-	6,565	6,565	

**3. Funding for the Academy Trust's educational operations**

	Unrestricted funds £	Restricted general fund £	Restricted fixed asset funds £	2018/19 Total £	2017/18 Total £
<b>DfE/ESFA grants</b>					
General Annual Grant (GAG)	-	945,995	-	945,995	952,143
Other DfE Group grants	-	127,045	-	127,045	121,202
	-	1,073,040	-	1,073,040	1,073,345
<b>Other government grants</b>					
Local authority grants	-	72,931	-	72,931	92,858
	-	72,931	-	72,931	92,858
Other income from the academy trust's educational operations	40,399	-	-	40,399	41,248
	40,399	72,931	-	113,330	134,106
	40,399	1,145,971	-	1,186,370	1,207,451
<b>2018 total</b>	41,248	1,166,203	-	1,207,451	

**St Paul's Church of England Academy Trust**  
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**Notes to the financial statements for the year ended 31 August 2019 (continued)**

**4. Investment income**

	Unrestricted funds £	Restricted funds £	2018/19 Total £	2017/18 Total £
Short term deposits	93	-	93	82
<b>2018 total</b>	<b>82</b>	<b>-</b>	<b>82</b>	

**5. Expenditure**

	Staff costs £	Non pay expenditure Premises      Other £                      £		2018/19 Total £	2017/18 Total (as restated) £
Academy's educational operations					
Direct costs	771,450	6,010	72,452	849,912	852,829
Allocated support costs	225,797	71,089	115,102	411,988	399,707
	<u>997,247</u>	<u>77,099</u>	<u>187,554</u>	<u>1,261,900</u>	<u>1,252,536</u>
<b>2018 total (as restated)</b>	<b>964,811</b>	<b>88,243</b>	<b>199,482</b>	<b>1,252,536</b>	

Net income/(expenditure) for the period includes :

		2018/19 £	2017/18 (as restated) £
Operating leases	- plant and machinery	907	877
Depreciation		17,482	14,793
Fees payable to auditor	- audit	6,600	6,400
	- other services	260	-

**St Paul's Church of England Academy Trust**  
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Notes to the financial statements for the year ended 31 August 2019 (continued)

**6. Charitable activities**

	Unrestricted funds £	Restricted pension fund £	Other restricted funds £	2018/19 Total £	2017/18 Total (as restated) £
<b>Educational operations</b>					
Direct costs	21,255	-	828,657	849,912	852,829
Support costs	51,797	73,000	323,258	448,055	399,707
	<u>73,052</u>	<u>73,000</u>	<u>1,151,915</u>	<u>1,297,967</u>	<u>1,252,536</u>
<b>2018 total (as restated)</b>	<u>23,398</u>	<u>55,000</u>	<u>1,174,138</u>	<u>1,252,536</u>	
<b>Analysis of support costs</b>					
Support staff costs	-	73,000	152,797	225,797	203,243
Depreciation	-	-	11,472	11,472	8,965
Technology costs	-	-	24,379	24,379	21,674
Premises costs	36,067	-	49,080	85,147	59,146
Other support costs	15,730	-	71,913	87,643	94,131
Governance costs	-	-	13,617	13,617	12,548
<b>Total support costs</b>	<u>51,797</u>	<u>73,000</u>	<u>323,258</u>	<u>448,055</u>	<u>399,707</u>
<b>2018 total (as restated)</b>	<u>7,161</u>	<u>55,000</u>	<u>337,546</u>	<u>399,707</u>	

**7. Staff**

**a) Staff costs**

Staff costs during the period were:

	2018/19 £	2017/18 £
Wages and salaries	719,872	710,235
Social security costs	53,017	59,956
Pension costs	217,688	193,460
	<u>990,577</u>	<u>963,651</u>
Staff restructuring costs	6,670	1,160
	<u>997,247</u>	<u>964,811</u>

**St Paul's Church of England Academy Trust**  
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**Notes to the financial statements for the year ended 31 August 2019 (continued)**

**7. Staff (continued)**

**a) Staff costs (continued)**

	2018/19 £	2017/18 £
Staff restructuring costs comprise :		
Redundancy payments	-	1,160
Settlement agreement	6,670	-
	<u>6,670</u>	<u>1,160</u>

**b) Staff severance payments**

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £6,670 (2018: £nil). Individually the payment was £6,670.

**c) Staff numbers**

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

	2018/19 Number	2017/18 Number
Teachers	8	9
Administration and support	20	20
Management	4	4
	<u>32</u>	<u>33</u>

**d) Higher paid staff**

	2018/19 Number	2017/18 Number
The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was :		
£70,001 - £80,000	<u>1</u>	<u>1</u>

**e) Key management personnel**

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £231,347 (2018: £227,499).



**St Paul's Church of England Academy Trust**  
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**Notes to the financial statements for the year ended 31 August 2019 (continued)**

**8. Related Party Transactions - Trustees' remuneration and expenses**

One or more trustees has been paid remuneration or has received other benefits from employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment.

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

Anna McGuire (principal and trustee)	
Remuneration	£75,000 - £80,000 (2018 : £70,000 - £75,000)
Employer's pension contributions paid	£10,000 - £15,000 (2018 : £10,000 - £15,000)
Bobby Rainford (staff trustee)	
Remuneration	£35,000 - £40,000 (2018 : £35,000 - £40,000)
Employer's pension contributions paid	£5,000 - £10,000 (2018 : £5,000 - £10,000)
Raymond Perrins (staff trustee)	
Remuneration	£20,000 - £25,000 (2018 : £20,000 - £25,000)
Employer's pension contributions paid	£nil- £5,000 (2018 : £nil - £5,000)

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

**9. Trustees' and officers' insurance**

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2019 was £39 (2018 : £54). The cost of this insurance is included in the total insurance cost.

**St Paul's Church of England Academy Trust**  
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**Notes to the financial statements for the year ended 31 August 2019 (continued)**

**10. Tangible fixed assets**

	<b>Fittings and equipment £</b>	<b>Computer hardware £</b>	<b>Total £</b>
<b>Cost or valuation</b>			
At 1 September 2018 (as restated)	40,569	69,691	110,260
Additions	16,852	844	17,696
Disposals	(4,069)	(3,339)	(7,408)
At 31 August 2019	<u>53,352</u>	<u>67,196</u>	<u>120,548</u>
<b>Depreciation</b>			
At 1 September 2018 (as restated)	30,638	59,620	90,258
Charge for the year	11,481	6,001	17,482
Released by disposals	(4,069)	(3,339)	(7,408)
At 31 August 2019	<u>38,050</u>	<u>62,282</u>	<u>100,332</u>
<b>Net book values</b>			
At 31 August 2019	<u>15,302</u>	<u>4,914</u>	<u>20,216</u>
At 31 August 2018 (as restated)	<u>9,931</u>	<u>10,071</u>	<u>20,002</u>

The fittings and equipment and computer hardware were valued by the trustees. The basis on which the valuations were made was depreciated replacement cost.

Cost or valuation at 31 August 2019 is represented by :

	<b>Fittings and equipment £</b>	<b>Computer hardware £</b>	<b>Total £</b>
Valuation in 2015	32,813	34,776	67,589
Cost	20,539	32,420	52,959
	<u>53,352</u>	<u>67,196</u>	<u>120,548</u>

**St Paul's Church of England Academy Trust**  
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**Notes to the financial statements for the year ended 31 August 2019 (continued)**

**11. Debtors**

	2019 £	2018 £
VAT recoverable	8,352	5,776
Prepayments and accrued income	45,223	39,649
	<u>53,575</u>	<u>45,425</u>

**12. Creditors**

	2019 £	2018 £
<b>(a) Amounts falling due within one year :</b>		
Accruals and deferred income	33,443	25,110
Other creditors	5,850	5,853
	<u>39,293</u>	<u>30,963</u>

**Deferred income**

Deferred income at 1 September 2018	17,845	19,119
Resources deferred in the year	19,862	17,845
Amounts released from previous years	(17,845)	(19,119)
Deferred income at 31 August 2019	<u>19,862</u>	<u>17,845</u>

At the balance sheet date the academy trust was holding funds received in advance for Universal Free School Meals for autumn term 2019.

**(b) Amounts falling due after more than one year :**

Other creditors	<u>20,966</u>	<u>26,815</u>
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Included within other creditors is an equal pay liability loan of £26,815 (2018 : £32,666) inherited on conversion. The loan is repayable over 5 years.

**St Paul's Church of England Academy Trust**  
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**Notes to the financial statements for the year ended 31 August 2019 (continued)**

**13. Funds**

	Balance at 1 September 2018 (as restated)	Income	Expenditure	Gains, losses and transfers	Balance at 31 August 2019
	£	£	£	£	£
<b>Restricted general funds</b>					
General Annual Grant (GAG)	121,199	945,995	(940,308)	(1,149)	125,737
Pupil premium	-	87,953	(87,953)	-	-
Equal pay liability on conversion	(32,666)	-	5,851	-	(26,815)
Other grants	-	112,023	(112,023)	-	-
	<u>88,533</u>	<u>1,145,971</u>	<u>(1,134,433)</u>	<u>(1,149)</u>	<u>98,922</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	6,561	-	(6,561)	-	-
DfE Group capital grants	5,699	16,805	(8,118)	-	14,386
Capital expenditure from GAG	4,612	-	(1,101)	1,149	4,660
Capital expenditure from unrestricted funds	<u>3,130</u>	<u>-</u>	<u>(1,702)</u>	<u>-</u>	<u>1,428</u>
	<u>20,002</u>	<u>16,805</u>	<u>(17,482)</u>	<u>1,149</u>	<u>20,474</u>
<b>Pension reserve</b>	<u>(883,000)</u>	<u>-</u>	<u>(73,000)</u>	<u>(166,000)</u>	<u>(1,122,000)</u>
<b>Total restricted funds</b>	<u>(774,465)</u>	<u>1,162,776</u>	<u>(1,224,915)</u>	<u>(166,000)</u>	<u>(1,002,604)</u>
<b>Unrestricted funds</b>					
Other income	-	76,559	(73,052)	-	3,507
<b>Total unrestricted funds</b>	<u>-</u>	<u>76,559</u>	<u>(73,052)</u>	<u>-</u>	<u>3,507</u>
<b>Total funds</b>	<u>(774,465)</u>	<u>1,239,335</u>	<u>(1,297,967)</u>	<u>(166,000)</u>	<u>(999,097)</u>

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

**Restricted general funds**

These comprise all restricted funds other than restricted fixed asset funds and include grants from The Education & Skills Funding Agency and Sandwell Council.

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

The trust acquired an equal pay liability on conversion producing a balance of £26,815 as at 31 August 2019 which is repayable over 5 years.

**Unrestricted funds**

These comprise resources that may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees.

**Restricted fixed asset funds**

These comprise resources which are to be applied to specific capital purposes imposed by The Education & Skills Funding Agency and Sandwell Council where the asset acquired or created is held for a specific purpose.

**St Paul's Church of England Academy Trust**  
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Notes to the financial statements for the year ended 31 August 2019 (continued)

**13. Funds (continued)**

Comparative information in respect of the preceding period

	Balance at 1 September 2017 (as restated) £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 (as restated) £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	38,517	952,143	(951,136)	81,675	121,199
Pupil premium	-	121,202	(121,202)	-	-
Equal pay liability on conversion	(38,517)	-	5,851	-	(32,666)
Other grants	-	92,858	(92,858)	-	-
	<u>-</u>	<u>1,166,203</u>	<u>(1,159,345)</u>	<u>81,675</u>	<u>88,533</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	13,160	-	(6,563)	(36)	6,561
DfE Group capital grants	2,248	6,565	(3,114)	-	5,699
Capital expenditure from GAG	2,870	-	(5,116)	6,858	4,612
Capital expenditure from unrestricted funds	3,094	-	-	36	3,130
	<u>21,372</u>	<u>6,565</u>	<u>(14,793)</u>	<u>6,858</u>	<u>20,002</u>
<b>Pension reserve</b>	<u>(984,000)</u>	<u>-</u>	<u>(55,000)</u>	<u>156,000</u>	<u>(883,000)</u>
<b>Total restricted funds</b>	<u>(962,628)</u>	<u>1,172,768</u>	<u>(1,229,138)</u>	<u>244,533</u>	<u>(774,465)</u>
<b>Unrestricted funds</b>					
Other income	70,601	41,330	(23,398)	(88,533)	-
<b>Total unrestricted funds</b>	<u>70,601</u>	<u>41,330</u>	<u>(23,398)</u>	<u>(88,533)</u>	<u>-</u>
<b>Total funds</b>	<u>(892,027)</u>	<u>1,214,098</u>	<u>(1,252,536)</u>	<u>156,000</u>	<u>(774,465)</u>
<b>Prior period adjustment</b>					
Restricted fixed asset fund		2019		2018 (as restated)	
		£	£	£	£
Net movement in funds (as restated)			472		(1,370)
Restricted fixed asset fund brought forward					
As previously reported		2,001,151		2,045,578	
Prior period adjustment		<u>(1,981,149)</u>		<u>(2,024,206)</u>	
			20,002		21,372
Restricted fixed asset fund carried forward			<u>20,474</u>		<u>20,002</u>

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**Notes to the financial statements for the year ended 31 August 2019 (continued)**

**13. Funds (continued)**

**Prior period adjustment (continued)**

Following discussion with the Lichfield Diocesan Board of Education the Board of Trustees have decided that St Paul's Church of England Academy Trust will change its accounting policy on recognition of property assets. Consequently the leasehold property is no longer recognised as a fixed asset. This is considered to constitute a change in accounting policy requiring a prior period adjustment.

The effect of this change in accounting policy has been to reduce the net book amount of leasehold land and buildings by £1,981,149 at 31 August 2018 and £2,024,206 at 31 August 2017. The charge for depreciation for both periods has been reduced by £43,057.

**14. Analysis of net assets between funds**

Fund balances at 31 August 2019  
are represented by:

	Unrestricted funds	Restricted pension funds	Restricted general funds	Restricted fixed asset funds	Total funds
	£	£	£	£	£
Tangible fixed assets	-	-	-	20,216	20,216
Current assets	3,507	-	159,181	258	162,946
Current liabilities	-	-	(39,293)	-	(39,293)
	3,507	-	119,888	20,474	143,869
Creditors due after one year	-	-	(20,966)	-	(20,966)
Pension scheme liability	-	(1,122,000)	-	-	(1,122,000)
<b>Total net liabilities</b>	<b>3,507</b>	<b>(1,122,000)</b>	<b>98,922</b>	<b>20,474</b>	<b>(999,097)</b>

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

	Unrestricted funds	Restricted pension funds	Restricted general funds	Restricted fixed asset funds	Total funds
	£	£	£	£	£
Tangible fixed assets	-	-	-	20,002	20,002
Current assets	-	-	146,311	-	146,311
Current liabilities	-	-	(30,963)	-	(30,963)
	-	-	115,348	20,002	135,350
Creditors due after one year	-	-	(26,815)	-	(26,815)
Pension scheme liability	-	(883,000)	-	-	(883,000)
<b>Total net liabilities</b>	<b>-</b>	<b>(883,000)</b>	<b>88,533</b>	<b>20,002</b>	<b>(774,465)</b>

**15. Capital commitments**

	2019 £	2018 £
Contracted for but not provided in the financial statements	-	-

**St Paul's Church of England Academy Trust**  
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**Notes to the financial statements for the year ended 31 August 2019 (continued)**

**16. Commitments under operating leases**

At 31 August 2019 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

Amounts due within one year  
Amounts due between one and five years

	<b>Total</b>	<b>Other</b>
	<b>2019</b>	<b>Total</b>
	<b>£</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
	907	907
	794	938
	<u>1,701</u>	<u>1,845</u>

**17. Reconciliation of net income/(expenditure) to net cash flow from operating activities**

Net income/(expenditure) for reporting period (as per the SoFA)

Adjusted for :

Depreciation (note 10)

Capital grants from DfE and other capital income

Interest receivable (note 4)

Defined benefit pension scheme cost less contributions payable (note 21)

Defined benefit pension scheme finance cost/(income) (note 21)

Decrease / (increase) in debtors

Increase / (decrease) in creditors

**Net cash provided by / (used in) operating activities**

	<b>2018/19</b>	<b>2017/18</b>
	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>(as restated)</b>
	<b>£</b>	<b>£</b>
	(58,632)	(38,438)
	17,482	14,793
	(16,805)	(6,565)
	(93)	(82)
	51,000	30,000
	22,000	25,000
	(8,150)	11,030
	<u>2,481</u>	<u>(18,698)</u>
	<u>9,283</u>	<u>17,040</u>

**18. Cash flows from investing activities**

Interest received

Purchase of tangible fixed assets

Capital grants from DfE Group

**Net cash provided by / (used in) investing activities**

	<b>2018/19</b>	<b>2017/18</b>
	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
	93	82
	(17,696)	(13,423)
	16,805	6,565
	<u>(798)</u>	<u>(6,776)</u>

**19. Analysis of cash and cash equivalents**

Cash at bank and in hand

	<b>At</b>	<b>At</b>
	<b>31 August</b>	<b>31 August</b>
	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
	109,371	100,886
	<u>109,371</u>	<u>100,886</u>

**St Paul's Church of England Academy Trust**  
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**Notes to the financial statements for the year ended 31 August 2019 (continued)**

**20. Members' liability**

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

**21. 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 West Midlands Pension Fund. Both are multi-employer defined-benefit schemes.

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

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

**Teachers' Pension Scheme**

**Introduction**

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

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

**Valuation of the Teachers' Pension Scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are :

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



**St Paul's Church of England Academy Trust  
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**Notes to the financial statements for the year ended 31 August 2019 (continued)**

**21. Pension and similar obligations (continued)**

**Teachers' Pension Scheme (continued)**

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

The employer's pension costs paid to TPS in the year amounted to £57,504 (2018 : £57,853).

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

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £96,000 (2018 : £95,000), of which employer's contributions totalled £80,000 (2018 : £79,000) and employees' contributions totalled £16,000 (2018 : £16,000). The agreed contribution rates for future years are 19.1% for employers and 6.8% for employees.

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

The trustees have agreed that the trust will make additional contributions in addition to normal funding levels over the next 23 years.

**Principal actuarial assumptions**

	<b>At 31 August 2019</b>	<b>At 31 August 2018</b>
Rate of increase in salaries	3.70%	3.80%
Rate of increase for pensions in payment / inflation	2.20%	2.30%
Discount rate for scheme liabilities	1.85%	2.65%
Inflation assumption (CPI)	2.20%	2.30%
Commutation of pensions to lump sums	50.00%	50.00%

**St Paul's Church of England Academy Trust**  
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**Notes to the financial statements for the year ended 31 August 2019 (continued)**

**21. Pension and similar obligations (continued)**

**Local Government Pension Scheme (continued)**

<b>Sensitivity analysis</b>	<b>As disclosed</b>	<b>Discount rate</b>	<b>CPI rate</b>	<b>In life expectancy</b>
	<b>£'000s</b>	<b>+ 0.1% pa £'000s</b>	<b>+ 0.1% pa £'000s</b>	<b>+ 1 year £'000s</b>
Present value of total obligation	1,773	1,730	1,809	1,837
Projected service cost	127	124	130	132
	<b>£'000s</b>	<b>- 0.1% pa £'000s</b>	<b>- 0.1% pa £'000s</b>	<b>- 1 year £'000s</b>
Present value of total obligation	1,773	1,817	1,738	1,711
Projected service cost	127	130	124	123

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

	<b>At 31 August 2019</b>	<b>At 31 August 2018</b>
Retiring today		
Males	20.9	21.9
Females	23.2	24.4
Retiring in 20 years		
Males	22.6	24.1
Females	25.1	26.7

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

	<b>31 August 2019 £</b>	<b>31 August 2018 £</b>
Equities	390,000	329,000
Government bonds	62,000	37,000
Other bonds	25,000	19,000
Property	53,000	42,000
Cash/liquidity	24,000	19,000
Other	97,000	72,000
<b>Total market value of assets</b>	<b>651,000</b>	<b>518,000</b>

The actual return on scheme assets was £37,000 (2018 : £5,000).

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**Notes to the financial statements for the year ended 31 August 2019 (continued)**

**21. Pension and similar obligations (continued)**

**Local Government Pension Scheme (continued)**

	2018/19 £	2017/18 £
<b>Amount recognised in the statement of financial activities</b>		
Current service cost	131,000	109,000
Net interest cost	22,000	25,000
<b>Total amount recognised in the SoFA</b>	<b>153,000</b>	<b>134,000</b>

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

	2018/19 £	2017/18 £
At 1 September 2018	1,401,000	1,402,000
Current service cost	109,000	109,000
Interest cost	37,000	37,000
Employee contributions	16,000	16,000
Change in demographic assumptions	(90,000)	-
Changes in financial assumptions	278,000	(163,000)
Past service cost	22,000	-
<b>At 31 August 2019</b>	<b>1,773,000</b>	<b>1,401,000</b>

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

	2018/19 £	2017/18 £
At 1 September 2018	518,000	418,000
Interest income	15,000	12,000
Employer contributions	80,000	79,000
Employee contributions	16,000	16,000
Return on assets less interest	22,000	(7,000)
<b>At 31 August 2019</b>	<b>651,000</b>	<b>518,000</b>
<b>Net pension scheme liability</b>	<b>(1,122,000)</b>	<b>(883,000)</b>

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**Notes to the financial statements for the year ended 31 August 2019 (continued)**

**22. Related party transactions**

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH, including notifying ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

No related party transactions took place in the period of account other than certain trustees' remuneration and expenses already disclosed in note 8.