

ST. THOMAS MORE CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

**ST. THOMAS MORE CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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**ST. THOMAS MORE CATHOLIC PRIMARY SCHOOL
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Chair of Trustees - ex officio The Brentwood Diocesan Trust The Right Reverend A Williams
Trustees	Mr D Brunwin, Chair of Trustees Mr J Chambers (resigned 31 August 2023) Mrs S Anderton Mr J Pittock Dr A Yeung (appointed 20 March 2023) Ms V Phipps (appointed 1 September 2022) Fr D Clemens Mrs R Meichen Mrs M J Hall, Head Teacher Mr T Scarborough (resigned 31 August 2023) Mr C Anderson Mrs E McNally Mr T Wynne (resigned 31 August 2023) Mr J Coleman Mrs L Bonomo-Jackson Mrs A Wilkinson
Company registered number	07696148
Company name	St. Thomas More Catholic Primary School
Principal and registered office	South Road Saffron Walden Essex CB11 3DW
Company Secretary	Mrs A Davies/Mrs Fran Dorren
Accounting Officer	Mrs M J Hall
Senior Leadership Team	Mrs M J Hall, Head Teacher Mrs E McNally, Deputy Head Teacher Mrs N Hall, Assistant Head Teacher Mrs R Meichen, Premises Manager
Independent Auditors	Price Bailey LLP Chartered Accountants Statutory Auditors Causeway House 1 Dane Street Bishop's Stortford Hertfordshire CM23 3BT

**ST. THOMAS MORE CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023**

The Trustees present their Annual Report together with the financial statements and Auditor's Report of St. Thomas More Catholic Primary School (the Trust, the Academy, or the Charitable Company) for the year ended 31 August 2023. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' Report under company law.

The Trust operates a School for pupils aged 4 to 11 serving a catchment area in Essex. It has a pupil capacity of 210 and had a roll of 214 in the 2023 school census.

Structure, Governance and Management

The Academy is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are its primary governing documents. The Trustees of The Charitable Company are also the Directors for the purposes of company law. The terms Trustee, Director and Governor are interchangeable. The Charitable Company is known as St. Thomas More Catholic Primary School, Saffron Walden (the School).

Details of the Trustees who served during the year are included in the Reference and Administrative Details section.

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 and Officers' 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 £5,000,000 on any one claim.

Method of Recruitment and Appointment or Election of Trustees

The arrangements are as set out in the Articles and Funding Agreement.

Trustees are appointed for a fixed term. The Head Teacher is an ex officio member of the Governing Body. Parent Trustees and the Staff Trustees are elected to office or appointed if there are insufficient candidates offering themselves for election. The Articles of Association make provision for 18 Trustees (10 Foundation Governors, 4 Parent Governors, 2 Staff Governors, 1 other plus the Head Teacher) under article 46.

Policies and Procedures Adopted for the Induction and Training of Trustees

The Charitable Company is committed to providing adequate opportunities for Trustees to undertake and receive suitable training so as to enable them to perform their role effectively. To this end the Trust provides an internal programme of continued professional development led by School staff and links with a number of local training providers.

All new Trustees are entitled to an induction to the role, according to their need, which may include, introductory sessions, mentoring and formal courses. This process will involve a meeting with the Chair of Trustees and Head Teacher or Deputy Head Teacher. All Trustees are provided with a handbook plus copies of policies and procedures and documents that are appropriate to the role they undertake as Trustees with particular emphasis on the committee work that they will undertake.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

Organisational Structure

The governance of the Academy is defined in the Memorandum and Articles of Association together with the Funding Agreement with the Department of Education.

The Board of Trustees, which meets on at least 4 occasions per year and each individual committee at least 3 times per year, is responsible for the strategic direction of the Academy. The Board reviews progress towards educational objectives and results; approves major expenditure requests; sets the budget for the following year; sets the organisational staffing structure; agrees the performance objectives of the Headteacher with the School Improvement Partner and reviews them.

The Head Teacher is the designated Accounting Officer and has overall responsibility for the day to day financial management of the Charitable Company. The Head Teacher has delegated responsibility for low values of expenditure to specific budget holders who are responsible for managing their own departments within their allocated budgets. A system of financial controls is in place to manage this process.

The Head Teacher manages the Academy on a daily basis supported by a Senior Leadership Team (SLT). The SLT meets frequently to discuss emerging matters and to help to develop strategies for future development to be put to the Head Teacher and the Board of Trustees as required for approval. Each member of the SLT has specific responsibilities to assist the Head Teacher to manage certain aspects of the Academy.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

Key management personnel include Academy Trustees and those staff to whom the Trustees have delegated significant authority and responsibility in the day-to-day running of the Trust.

Pay and remuneration of key management personnel is decided by a variety of contributory factors, such as the school group size, Individual Salary Range (ISR), the pay scales for each role and the level of experience of each staff member. In addition, pay levels may be affected by nationally agreed pay awards, the ability to recruit and retain in post, all of which are in accordance with the Trust's appointment and pay policies.

All amendments to key management's pay and remuneration are delegated to and approved by the appropriate sub-committee and reviewed by the Board of Trustees.

Trade union facility time

There is no trade union facility time to report (2022: none).

Related parties and other connected charities and organisations

Owing to the nature of the Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, it is inevitable that from time to time transactions will take place with organisations in which members of the Board may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procedures. Any transaction where the Trustee may have a pecuniary interest is only undertaken in accordance with the 'at cost' principle described in the Academy Trust Handbook.

The Trust cooperated with the following organisations during the academic year in pursuit of its charitable activities:

- Saffron Academy Trust
- Uttlesford District Council
- St Thomas More School PSA
- Essex Education Services (EES)
- The Brentwood Roman Catholic Diocesan Trust

The Trust does not have a formal sponsor.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

Objectives and Activities

Objects and Aims

The principal object and aim of the Charitable Company is the operation of the School to provide free education and care for pupils of different abilities between the ages of 4 and 11.

Objectives, Strategies and Activities

The School will work on continuing to keep its excellent results high by giving a high priority to supporting those who find learning difficult and also the quicker learners. This requires additional teaching resources, which we have always striven to fund. We will continue to target reading and writing as a topic for improvement as these are areas of difficulty highlighted nationally. We will continue to improve our staff with both training and monitoring. We will support the teaching staff with close Trustee involvement and continue to improve Trustee skills with training and regular visits. We will continue to make St. Thomas More Catholic Primary School a safe and supportive environment for the children – one in which they enjoy their learning.

During the year the School has worked towards these aims by:

- staff and Trustee training;
- safeguarding awareness and training;
- use of the tutoring grant;
- inspirational leadership and values;
- Trauma Perceptive Practice (TPP) training;
- supporting children who continue to have been affected by lockdown (YR, 2 & 6);
- Filtering and monitoring training for all staff; and
- Cyber safety training.

Our success in fulfilling our aims can be measured by previous:

- SATS results;
- EYFS GLD;
- KS1 assessments;
- phonics screen;
- involvement and feedback from parents;
- the happiness, attendance and behaviour of children; and
- good Ofsted inspection report 2023.

Public Benefit

The Trustees believe that by working towards the objects and aims of the School as detailed above, they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

Strategic Report

Achievements and Performance

The Trust continued its mission to ensure that students achieved their potential in public examinations; encouraged a wide range of extra-curricular activities; developed and retained suitable staff and guided students in suitable progression when they left the School.

Specific achievements were as follows:

- Consistently higher than national figures for EYFS GLD (83% 2017, 87% 2018, 87% 2019, 85.3% 2022, 73% 2023). Our 2023 intake included a high proportion of EAL (English as Additional Language) children (15% of the class) which affected our figures. Despite that our figures remain above national figures.
- 97% Phonics Screen
- 97% of children achieving Maths standard at KS1

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

- 90% achieving Reading standard at KS1
- 97% achieving Maths standard at KS2
- 100% achieving Spelling, Punctuation and grammar standard at KS2
- 97% achieving Reading standard at KS2
- 94% of children achieving the standard in Reading, Writing and Maths at KS2 against 59% nationally

Key Performance Indicators

The Trustees receive regular information at each committee meeting to enable them to monitor the performance of the School compared to aims, strategies and financial budgets.

As funding is based on pupil numbers this is a key performance indicator. Pupil numbers for 2023 October census were 214 against a forecast of 210.

Another key financial performance indicator is staffing costs as a percentage of total income, for 2022/2023 this was 84%. The Board of Trustees is confident that staffing levels are closely monitored to agreed full time equivalent and staffing structures all approved by the Board.

The Resources Committee also monitor premises costs to General Annual Grant (GAG) income, capitation spend for curriculum departments to GAG income, total income less grants and cash flow on a regular basis to ensure that the budget is set and managed appropriately.

Going Concern

The Academy's balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds at 31 August 2023 was a deficit carry forward of £27,457 caused partly due to a £12.4k backdated support staff pay accrual which will be paid in December 2023 and also due to overspends on operational costs. As noted within the Regularity Report, these overspends were made from cash provided by other restricted funds. The Academy is implementing a series of cost saving measures to ensure that funds are replenished and is looking to raise additional income through fundraising however the Trustees recognise that the Academy is in a financially vulnerable position such that, should any large unexpected costs arise it may be necessary to request additional funding from the ESFA.

The Academy derives the majority of its income from local and national Government grant funding which is secured for a number of years, under the terms of the Academy Funding Agreement with the Secretary of State for Education. This will ensure that the Academy can continue operating for a period of at least 12 months following the date of this Report. Overall therefore, with measures taken to reduce costs and increase income the Trustees believe that it is correct to adopt the going concern basis and that the Trust can continue for a further 12 months from the date these accounts are approved and signed. The financial statements do not contain any adjustments that would be required if the Trust were not able to continue as a going concern.

Financial Review

The principal source of funding for the Trust is the GAG and other grants that it receives from the Education and Skills Funding Agency (ESFA). For the year ended 31 August 2023 the Trust received £1,220,616 of GAG and other income (excluding capital grants and the donation in kind) (2022: £1,180,940). A high percentage of this income is spent on wages and salaries and support costs to deliver the Academy's primary objective of the provision of education. During the year the Trust spent £1,268,146 (2022: £1,164,641) on general running costs (excluding capital projects, pension and the donation in kind). The Academy brought forward from 21/22, £Nil restricted funds (excluding capital and pension) and £20,073 unrestricted funding. The carry forward for 22/23 included deficit £27,457 restricted funding (excluding capital) and £Nil on unrestricted funding.

The Academy has not carried forward a surplus this year. Unplanned building repairs, rising energy and catering costs and un-funded staff pay increases pose a significant risk. No significant events have impacted the financial performance or position of the Academy this year, however if a premises failure such as boiler breakdown were to happen this would pose a significant risk to the schools resources. Measures are in place to monitor accounts and cash flow very closely.

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FOR THE YEAR ENDED 31 AUGUST 2023**

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Academy is recognising a pension fund valuation of £Nil.

Reserves Policy

The Trustees are aware of the requirement to balance current and future needs and always aim to set a balanced budget with annual income balancing annual expenditure. The Trustees monitor estimated year-end carry forward figures via the monthly reports from the Business Manager. The budget plan identifies how any carry forward will be allocated in the plan for the following academic year, including the identification of any funds earmarked for a specific project or purpose.

The Academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £Nil (2022: £20,073).

The Academy's balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds at 31 August 2023 was a deficit of £27,457 (2022: £20,073).

The cash balance of the Academy has been healthy all year, ending the year with a balance of £48,472 (2022: £56,862). The Trustees monitor cash flow as part of the committee and attempt to hold a minimum of £37,500 to cover short term cash flow variances.

Investment Policy

Due to the pressure on school finances investing funds is not currently a key consideration for the Trustees.

Principal Risks and Uncertainties

The Trustees maintain a risk register identifying the major risks to which the Academy is exposed and identifying actions and procedures to mitigate those risks. A formal review of the risk register process is undertaken on an annual basis and the internal control systems and the exposure to said risks are monitored on behalf of the Trustees at each Committee meeting. The principal risks facing the Trust are outlined below; those facing the Academy at an operational level are addressed by its systems and by internal financial and other controls.

The Trustees report that the Trust's financial and internal controls conform to guidelines issued by the ESFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

The Trustees assess the other principal risks and uncertainties facing the Trust as follows:

- the Academy has considerable reliance on continued Government funding through the ESFA and there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms;
- failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks;
- reputational - the continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student progress and outcomes are closely monitored and reviewed;

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FOR THE YEAR ENDED 31 AUGUST 2023**

- safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline;
- staffing - the success of the Academy is reliant on the quality of its staff and the Trustees monitor and review policies and procedures and recruitment to ensure continued development and training of staff as well as ensuring there is clear succession planning;
- fraud and mismanagement of funds - The Academy has appointed an Internal Auditor to carry out independent and external checks on financial systems and records as required by the Academy Trust Handbook. All finance staff receive training to keep up to date with financial practice requirements and develop their skills in this area;
- financial instruments – the Academy only deals with bank balances, cash and trade creditors, with limited trade (and other) debtors. The risk in this area is considered to be low; and
- defined benefit pension liability – as the Government has agreed to meet the defined benefit pension liability of any school ceasing to exist the main risk to the Academy is an annual cash flow funding of part of the deficit. Trustees take these payments into account when setting the annual budget plan.
- funds - The Academy's balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds at 31 August 2023 was a deficit £27,457 leaving the Academy in a vulnerable financial position. Rising costs and un-funded staff pay increases pose a significant risk. Cash flows can be reliably forecast, monitored and reported.
- estate management - the Trustees are mindful of the recommendations set out in the ESFA Good Estates Management Guide as a tool to assess and mitigate risks associated with the management of the Academy's estate.

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness.

Fundraising

The Academy held several fundraising events during the year. The Trust also operates a voluntary levy known as 'The Governors Levy'. The Trust does not work with professional fundraisers or companies who carry out fundraising on its behalf. During the year no complaints or issues have arisen as a result of the fundraising events.

Plans for Future Periods

For the 2023/2024 year our immediate plans are to manage catch up programmes for those children whose academic progress and / or independence may have suffered during lockdown while keeping an eye on our main target areas of reading and writing. Children's mental health is also a high priority. The aim is to continue to fulfil the requirements of the Covid catch up recovery package as directed by the DfE.

Funds Held as Custodian Trustee on Behalf of Others

No funds held.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

Auditor

Insofar as the Trustees are aware:

- there is no relevant audit information of which the Charitable Company's Auditor is unaware, and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Auditor is aware of that information.

The Trustees' Report, incorporating a strategic report, was approved by the Board of Trustees on 19 December 2023 and signed on its behalf by:

Mr D Brunwin
Chair of Trustees

**ST. THOMAS MORE CATHOLIC PRIMARY SCHOOL
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GOVERNANCE STATEMENT

Scope of responsibility

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

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The Board of Trustees has delegated the day-to-day responsibility to the Head Teacher, 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 Thomas More Catholic Primary School 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. The Board met fewer than six times during the year and is satisfied that through the use of sub-committees it maintains effective oversight of funds. Details of two such sub-committees are noted below.

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. The Board met fewer than six times during the year and is satisfied that through the use of sub-committees it maintains effective oversight of funds. Details of such sub-committees are noted below.

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

Trustee	Meetings attended	Out of a possible
Mr D Brunwin, Chair of Trustees	3	4
Mr J Chambers	1	4
Mrs S Anderton	1	4
Mr J Pittock	4	4
Dr A Yeung	2	2
Ms V Phipps	4	4
Fr D Clemens	3	4
Mrs R Meichen	4	4
Mrs M J Hall, Head Teacher	4	4
Mr T Scarborough	2	4
Mr C Anderson	1	4
Mrs E McNally	4	4
Mr T Wynne	3	4
Mr J Coleman	3	4
Mrs L Bonomo-Jackson	4	4
Mrs A Wilkinson	4	4

Review of year:

Covid continues to affect life at school, certain classes have been affected more than others and caused some disruption at the start of the year. Despite this we achieved outstanding KS1 and KS2 results. Attendance throughout the year remained high at around 96%.

We have been able to have more face-to-face meetings this year and Trustees have been able to come into School which means they have been able to better oversee the day to day running of the School. Moving forward this will enable more focussed monitoring. The Chair of Trustees has been in place for a number of years bringing stability, continuity and experience to the Board of Trustees.

**ST. THOMAS MORE CATHOLIC PRIMARY SCHOOL
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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Conflicts of interest:

Throughout the year we had to juggle keeping our costs low (not employing new members of staff when others left) but still keeping standards high.

All Trustees and Members must complete a declaration of interest form which is kept and monitored by the clerk.

The Board of Trustees has followed guidance on close party members and all Trustees and Members have provided detailed information regarding connected party data. Information is kept confidential and stored securely.

Governance reviews:

Regular Trustee visits took place throughout the year and feedback given at Board meetings. The Headteacher and Chair of Trustees met regularly throughout the year. Attendance at Board meetings remains high and where Trustees have resigned, replacements have been found quickly.

The Resources Committee is a sub-committee of the Board of Trustees. Its purpose is to ensure sound management of the Academy's finances (including proper planning, monitoring and probity), resources, recruitment, evaluation, pay and performance management of all staff.

During the year the following issues were dealt with by the committee included:

- Budget setting and monitoring
- Fundraising
- Personnel - managing staff
- Increased fuel costs

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mrs M J Hall	3	3
Mr D Brunwin	2	2
Mr T Scarborough	3	3
Ms V Phipps	2	3
Mr C Anderson	3	3
Mr T Wynne	3	3
Mr J Coleman	3	3
Mr J Pittock	3	3
Mrs S Anderton	3	3
Mr J Chambers	3	3

The Audit Committee is also a sub-committee of the main Board of Trustees. The Committee's purpose is to focus on the finances of the School, meet with the Auditors annually and feedback to the Resources committee on the current and projected finances of the School.

During the year the following issues were dealt with by the committee:

- Monitoring budget on a monthly basis.
- Managing future plans for the school within budget restraints.
- Managing concerns re part funded pay increases and energy cost increases and planning future budgets with so many unknown factors to take into consideration.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mrs M J Hall	2	2
Mr D Brunwin	2	2
Mr J Chambers	1	2
Mr J Coleman	2	2

Review of value for money

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

The Accounting Officer considers how the Academy's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer has delivered improved value for money during the year by:

- Checking all services paid for are at a competitive price.
- Working collaboratively with our partnership schools to buy in training at a cheaper rate.
- Seeking grants where appropriate.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in St Thomas More Catholic Primary School for the year 1 September 2022 to 31 August 2023 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 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's significant risks that has been in place for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the Annual Report and financial statements. This process is regularly reviewed by the Board of Trustees.

**ST. THOMAS MORE CATHOLIC PRIMARY SCHOOL
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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework

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

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

The Board of Trustees has decided to buy-in an internal audit service from Azets.

The Board of Trustees wanted to outsource this to get an independent professional service. The Board of Trustees used Azets last year and were happy with their work so decided to use them again.

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

- Register of Pecuniary Interests
- Data Protection and GDPR Compliance
- Procurement
- VAT & Corporation Tax

On an annual basis, the Internal Auditor reports to the Business Manager who then prepares a detailed report outlining the areas reviewed, key findings, recommendations and conclusions which is shared with the Audit Committee. This helps the committee consider actions and assess year on year progress.

The Internal Auditor has delivered their schedule of work as planned and there were no material control issues arising as a result of their work.

Review of effectiveness

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

- the work of the Internal Auditor;
- the school resource management self-assessment tool;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.
- the work of the External Auditors;

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

Approved by the Board of Trustees on 19 December 2023 and signed on their behalf by:

Mr D Brunwin
Chair of Trustees

Mrs M J Hall
Accounting Officer

**ST. THOMAS MORE CATHOLIC PRIMARY SCHOOL
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STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of St. Thomas More Catholic Primary School I have considered my responsibility to notify the Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

I confirm that I and the Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academy Trust Handbook 2022.

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

- The academy has paid cash to employees for their work in the after school club for a number of years and these payments have not been subject to deductions such as tax and national insurance. This was an administration oversight which has now been rectified with the help of our payroll provider in November 2023. The amount of unpaid PAYE was less than £1,000. This has happened when cover has been required, at short notice, when the amounts are small and payroll has already been processed.
- The academy's management accounts did not contain a detailed split between restricted general funds and restricted capital funds and therefore an accurate split of funds wasn't reported and as a result there was an overspend in the year.
- The academy has reported a deficit carry forward of £27,457 on restricted general funds and unrestricted funds as at 31 August 2023 due to a £12.4k accrual for backdated support staff pay and overspends on operational costs and therefore has utilised other restricted funds to maintain the daily operations of the academy. The academy is implementing a series of cost saving measures to ensure that funds are replenished and is looking to raise additional income through fundraising.

Mrs M J Hall
Accounting Officer

Date: 19 December 2023

**ST. THOMAS MORE CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2023**

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 and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the Charitable Company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

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

Approved by the Board of Trustees and signed on its behalf by:

Mr D Brunwin
Chair of Trustees

Date: 19 December 2023

**ST. THOMAS MORE CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST.
THOMAS MORE CATHOLIC PRIMARY SCHOOL**

Opinion

We have audited the financial statements of St. Thomas More Catholic Primary School (the 'Academy') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Material uncertainty related to going concern

We draw attention to note 1.2 in the financial statements, which indicates that the Academy has net liabilities and needs to make further cost savings, as a result the Academy is vulnerable to any unexpected large costs that may occur and may require additional funding from the ESFA. As stated in note 1.2, these events or conditions, along with the other matters as set forth in note 1.2, indicate that a material uncertainty exists that may cast significant doubt on the Academy's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Trustees' assessment of the Academy's ability to continue to adopt the going concern basis of accounting included review of the Academy's budgets, current cash position and proposed recovery and cost savings.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

**ST. THOMAS MORE CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST.
THOMAS MORE CATHOLIC PRIMARY SCHOOL (CONTINUED)**

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic 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 and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the Directors of the Charitable Company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy or to cease operations, or have no realistic alternative but to do so.

**ST. THOMAS MORE CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST.
THOMAS MORE CATHOLIC PRIMARY SCHOOL (CONTINUED)**

Auditors' 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 Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the Academy and the sector in which it operates and considered the risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations. This included those regulations directly related to the financial statements, including financial reporting and tax legislation and academy sector regulations including GDPR, employment law, health and safety and safeguarding.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

- We reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness, and evaluating the business rationale of any large or unusual transactions to determine whether they were significant to our assessment.
- We reviewed key controls, authorisation procedures and decision making processes for any unusual or one-off transactions.
- We reviewed minutes of Trustee Board meetings and other relevant sub-committees of the Board such as the Resources Committee and agreed the financial statement disclosures to underlying supporting documentation.
- We have made enquiries of the Accounting Officer and senior management team to identify laws and regulations applicable to the Academy. We assessed details of any breaches where applicable in order to assess the impact upon the Academy.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

**ST. THOMAS MORE CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST.
THOMAS MORE CATHOLIC PRIMARY SCHOOL (CONTINUED)**

Use of our Report

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

Suzanne Goldsmith (Senior Statutory Auditor)

for and on behalf of

Price Bailey LLP

Statutory Auditors
Causeway House
1 Dane Street
Bishop's Stortford
Hertfordshire
CM23 3BT

19 December 2023

**ST. THOMAS MORE CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

In accordance with the terms of our engagement letter dated 17 July 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St. Thomas More Catholic Primary School during the year 1 September 2022 to 31 August 2023 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. Thomas More Catholic Primary School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to St. Thomas More Catholic Primary School and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than St. Thomas More Catholic Primary School and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of St. Thomas More Catholic Primary School's Accounting Officer and the Reporting Accountant

The accounting officer is responsible, under the requirements of St. Thomas More Catholic Primary School's funding agreement with the Secretary of State for Education dated 1 August 2011 and the Academy Trust Handbook, extant from 1 September 2022, 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 2022 to 2023. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

**ST. THOMAS MORE CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST. THOMAS
MORE CATHOLIC PRIMARY SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY
(CONTINUED)**

The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material irregularity, impropriety and non-compliance of the Trust's activities.
- Consideration and corroboration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance, and how the Trust complies with the framework of authorities.
- Evaluation of the general control environment of the Academy, extending the procedures required for financial statements to include regularity, propriety and compliance.
- Discussions with and representations from the Accounting Officer and other key management personnel.
- An extension of substantive testing from our audit of the financial statements to cover matters pertaining to regularity, propriety and compliance in order to support the regularity conclusions including governance, internal controls, procurement and the application of income.

Conclusion

In the course of our work, except for the matters listed below nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

- The academy has paid cash to employees for their work in the after school club for a number of years and these payments have not been subject to deductions such as tax and national insurance. This was an administration oversight which has now been rectified. The amount of unpaid PAYE was less than £1,000. This has happened when cover has been required, at short notice, when the amounts are small and payroll has already been processed.
- The academy's management accounts did not contain a detailed split between restricted general funds and restricted capital funds and therefore an accurate split of funds wasn't reported and as a result there was an overspend in the year.
- The academy has reported a deficit carry forward of £27,457 on restricted general funds and unrestricted funds as at 31 August 2023 due to a £12.4k accrual for backdated support staff pay and overspends on operational costs and therefore has utilised other restricted funds to maintain the daily operations of the academy. The academy is implementing a series of cost saving measures to ensure that funds are replenished and is looking to raise additional income through fundraising.

Reporting Accountant
Price Bailey LLP

Date: 19 December 2023

ST. THOMAS MORE CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:						
Donations and capital grants	3	26,413	111,555	20,511	158,479	144,630
Other trading activities	5	127,208	-	-	127,208	112,399
Investments	6	29	-	-	29	13
Charitable activities		42,762	1,002,649	-	1,045,411	1,023,200
Total income		<u>196,412</u>	<u>1,114,204</u>	<u>20,511</u>	<u>1,331,127</u>	<u>1,280,242</u>
Expenditure on:						
Charitable activities	7	216,485	1,150,661	14,829	1,381,975	1,350,512
Total expenditure		<u>216,485</u>	<u>1,150,661</u>	<u>14,829</u>	<u>1,381,975</u>	<u>1,350,512</u>
Net movement in funds before other recognised gains/(losses)		(20,073)	(36,457)	5,682	(50,848)	(70,270)
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	23	-	96,000	-	96,000	755,000
Net movement in funds		<u>(20,073)</u>	<u>59,543</u>	<u>5,682</u>	<u>45,152</u>	<u>684,730</u>
Reconciliation of funds:						
Total funds brought forward		20,073	(87,000)	18,092	(48,835)	(733,565)
Net movement in funds		(20,073)	59,543	5,682	45,152	684,730
Total funds carried forward		<u>-</u>	<u>(27,457)</u>	<u>23,774</u>	<u>(3,683)</u>	<u>(48,835)</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 24 to 50 form part of these financial statements.

ST. THOMAS MORE CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 07696148

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	7,404	13,178
Current assets			
Debtors	14	308,868	322,420
Cash at bank and in hand	21	48,472	56,862
		357,340	379,282
Creditors: amounts falling due within one year	15	(188,427)	(174,295)
Net current assets		168,913	204,987
Total assets less current liabilities		176,317	218,165
Creditors: amounts falling due after more than one year	16	(180,000)	(180,000)
Net assets excluding pension liability		(3,683)	38,165
Defined benefit pension scheme liability	23	-	(87,000)
Total net liabilities		(3,683)	(48,835)
Funds of the Academy			
Restricted funds:			
Fixed asset funds	17	23,774	18,092
Restricted income funds	17	(27,457)	-
Pension reserve	17	-	(87,000)
Total restricted funds	17	(3,683)	(68,908)
Unrestricted income funds	17	-	20,073
Total funds		(3,683)	(48,835)

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

The financial statements on pages 21 to 50 were approved by the Trustees, and authorised for issue on 19 December 2023 and are signed on their behalf, by:

Mr D Brunwin
Chair of Trustees

**ST. THOMAS MORE CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023**

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash used in operating activities	19	(30,545)	(6,087)
Cash flows from investing activities	20	22,155	3,413
Change in cash and cash equivalents in the year		(8,390)	(2,674)
Cash and cash equivalents at the beginning of the year		56,862	59,536
Cash and cash equivalents at the end of the year	21, 22	<u>48,472</u>	<u>56,862</u>

The notes on pages 24 to 50 form part of these financial statements

**ST. THOMAS MORE CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Trust's functional and presentational currency is Pounds Sterling.

Company status

The Trust is a Company limited by guarantee. The Members are noted on page 1. In the event of the Trust being wound up, the liability in respect of the guarantee is limited to £10 per Member.

The Registered Office is South Road, Saffron Walden, Essex, CB11 3DW.

1.2 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 Academy 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 whilst it is expected that the Academy has adequate resources to continue in operational existence for the foreseeable future and they have continued to adopt the going concern basis of accounting in preparing the financial statements they have concluded that there are material uncertainties that may cast significant doubt on the Trust's ability to continue as a going concern.

The Academy's has net liabilities of £3,683 as at 31 August 2023. The balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds at 31 August 2023 was a deficit carry forward of £27,457 caused partly due to a £12.4k backdated support staff pay accrual which will be paid in December 2023 and also due to overspends on operational costs. As noted within the Regularity Report, these overspends were made from cash provided by other restricted funds. The Academy is implementing a series of cost saving measures to ensure that funds are replenished and is looking to raise additional income through fundraising however the Trustees recognise that the Academy is in a financially vulnerable position such that, should any large unexpected costs arise it may be necessary to request additional funding from the ESFA.

The Academy derives the majority of its income from local and national Government grant funding which is secured for a number of years, under the terms of the Academy Funding Agreement with the Secretary of State for Education. This will ensure that the Academy can continue operating for a period of at least 12 months following the date of this Report. Overall therefore, with measures taken to reduce costs and increase income the Trustees believe that it is correct to adopt the going concern basis and that the Trust can continue for a further 12 months from the date these accounts are approved and signed. The financial statements do not contain any adjustments that would be required if the Trust were not able to continue as a going concern.

**ST. THOMAS MORE CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

1. Accounting policies (continued)

1.3 Income

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

• **Grants**

Grants are included in the Statement of Financial Activities incorporating Income and Expenditure Account 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 year is deducted from income and recognised as a liability.

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

• **Donations**

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

• **Other income**

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

1.4 Fund accounting

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

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

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

Investment income, gains and losses are allocated to the appropriate fund.

**ST. THOMAS MORE CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

1. Accounting policies (continued)

1.5 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.

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.6 Donation in kind

The Trust operates from land and buildings provided rent free by the Diocese of Brentwood. Under an agreement between the Diocese, the Trust and the Secretary of State the Diocese would be required to give 24 months notice from the current year end if it wished to terminate this agreement. No such notice had been given at the year end and the Diocese is therefore committed to providing the land and buildings rent free for a further 36 months from the year end in these accounts. The Trustees estimate what the cost of renting equivalent buildings would be and provide for this in the accounts together with a notional expense of the same amount. A debtor is shown to represent the commitment by the Diocese to provide the land and buildings rent free for a further 36 months. An equivalent is included within creditors to represent the notional cost of renting free for a further 36 months.

1.7 Tangible fixed assets

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the Government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. 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.

The Trust occupies land and buildings provided to it by Diocesan Trustees under a licence (also referred to as a Church Supplemental Agreement) which contains a two year notice period. Having considered the fact that the Trust occupies the land and buildings by a licence that transfers to the Trust no rights or control over the site save that of occupying it at the will of the Diocesan Trustees under the agreement, the Diocesan Trustees have concluded that the value of the land and buildings occupied by the Trust will not be recognised or valued within fixed assets.

Capital improvements to Diocesan owned property are recognised as expenditure.

**ST. THOMAS MORE CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

1. Accounting policies (continued)

1.7 Tangible fixed assets (continued)

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 less their residual value, over their expected useful life, as follows:

Depreciation is provided on the following basis:

Furniture and fixtures	- 3 -10 years straight line
------------------------	-----------------------------

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

1.8 Debtors

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

1.9 Cash at bank and in hand

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

1.10 Liabilities

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

1.11 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

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

Financial Liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 15 and 16. 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.

**ST. THOMAS MORE CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

1. Accounting policies (continued)

1.12 Pensions

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

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

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

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

If pension scheme assets are more than liabilities a surplus is recognised only to the extent that the academy trust is able to recover the surplus either through reduced contributions in the future or through refunds from the scheme. Any change in the restriction of the surplus is an actuarial gain or loss and is recognised in other recognised gains and losses.

**ST. THOMAS MORE CATHOLIC PRIMARY SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the Actuary in valuing the pensions liability at 31 August 2023. 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.

At the balance sheet date the pension scheme assets were more than the liabilities, resulting in a surplus. It was necessary to determine the extent to which this surplus was capable of being recovered either through reduced contributions in the future or through refunds from the scheme. A refund is only available on ceasing to participate in the scheme, which is not practicably possible whilst the Academy Trust continues in operation due to the requirement to provide access to the scheme to relevant employees and would not be possible if the trust were to cease operations as these operations would be transferred to another Academy Trust that would take over any asset. With regard to reductions in contributions the Trust is pooled with other trusts in the setting of its contribution rates under the scheme. In addition the Trust considers there to be a minimum funding requirement in respect of its contributions. Consequently the Trust does not consider that it is able to recover the surplus through reduced contributions in the future and has therefore restricted the surplus recognised to £nil.

The Trust operates from land and buildings provided rent free by the Diocese of Brentwood. The Academy have made this accounting estimate based on a historic building insurance valuation provided by the insurers. Any changes in this valuation would impact the carrying amounts of the donation in kind assets and liabilities. Under an agreement between the Diocese, the Trust and the Secretary of State the Diocese would be required to give 24 months notice from the current year end if it wished to terminate this agreement. No such notice had been given at the year end and the Diocese is therefore committed to providing the land and buildings rent free for a further 36 months from the year end in these accounts.

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FOR THE YEAR ENDED 31 AUGUST 2023**

3. Income from donations and capital grants

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	26,413	21,555	-	47,968	45,328
Notional rent	-	90,000	-	90,000	90,000
Capital income	-	-	20,511	20,511	9,302
Total 2023	<u>26,413</u>	<u>111,555</u>	<u>20,511</u>	<u>158,479</u>	<u>144,630</u>
Total 2022	<u>27,178</u>	<u>108,150</u>	<u>9,302</u>	<u>144,630</u>	

In 2022, income from donations was £45,328 of which £27,178 was unrestricted and £18,150 restricted.

In 2022, capital grants of £9,302 were in relation to restricted fixed assets.

In 2022, notional rent of £90,000 was restricted.

**ST. THOMAS MORE CATHOLIC PRIMARY SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

4. Funding for the Academy's charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Provision of Education				
DfE/ESFA grants				
General Annual Grant (GAG)	-	878,590	878,590	873,620
Other DfE/ESFA grants				
Other ESFA grants	-	12,336	12,336	9,810
Pupil Premium	-	13,948	13,948	17,166
UIFSM	-	37,319	37,319	34,212
PE and Sport Premium	-	17,800	17,800	17,780
MSAG	-	12,753	12,753	-
Supplementary grant	-	24,427	24,427	10,178
	-	997,173	997,173	962,766
Other Government grants				
Local Authority grants	-	5,476	5,476	10,388
	-	5,476	5,476	10,388
Catering income	42,762	-	42,762	47,357
COVID-19 additional funding (DfE/ESFA)				
Additional Covid-19 funding	-	-	-	2,689
	-	-	-	2,689
	42,762	1,002,649	1,045,411	1,023,200
Total 2023	42,762	1,002,649	1,045,411	1,023,200
Total 2022	47,357	975,843	1,023,200	

In 2022, income from DfE/ESFA grants was £962,766 of which all was restricted.

In 2022, income from other Government grants was £10,388 of which all was restricted.

In 2022, income from catering was £47,357 of which all was unrestricted.

In 2022, income from Additional Covid-19 funding was £2,689 of which all was restricted.

**ST. THOMAS MORE CATHOLIC PRIMARY SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

5. Income from other trading activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Uniform income	32	32	7
Swimming income	9,811	9,811	9,375
Other income	117,365	117,365	103,017
Total 2023	127,208	127,208	112,399
Total 2022	112,399	112,399	

In 2022, uniform income was £7 of which all was unrestricted.

In 2022, swimming income was £9,375 of which all was unrestricted.

In 2022, other income was £103,017 of which all was unrestricted.

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Bank interest	29	29	13
	29	29	13

In 2022, all investment income was in relation to unrestricted funds.

**ST. THOMAS MORE CATHOLIC PRIMARY SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

7. Expenditure

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £	Total 2022 £
Provision of Education:					
Direct costs	764,529	-	53,061	817,590	823,068
Support costs	240,183	178,684	145,518	564,385	527,444
Total 2023	<u>1,004,712</u>	<u>178,684</u>	<u>198,579</u>	<u>1,381,975</u>	<u>1,350,512</u>
Total 2022	<u>980,669</u>	<u>73,528</u>	<u>296,315</u>	<u>1,350,512</u>	

In 2023, of total expenditure £216,485 was to unrestricted funds, £1,150,661 was to restricted funds and £14,829 was to restricted fixed asset funds.

In 2022, direct expenditure consisted of £762,742 staff costs and £60,326 other costs.

In 2022, support expenditure consisted of £217,927 staff costs, £73,528 premises costs and £235,989 other costs.

8. Charitable Activities

	2023 £	2022 £
Direct costs	817,590	823,068
Support costs	564,385	527,444
Analysis of support costs		
Support staff costs	240,183	217,927
Depreciation	4,159	5,292
Technology costs	6,792	16,354
Premises costs (excluding depreciation)	174,525	68,236
Other support costs	125,598	207,206
Governance costs	12,754	12,429
Legal costs	374	-
Total	<u>564,385</u>	<u>527,444</u>

**ST. THOMAS MORE CATHOLIC PRIMARY SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

9. Net (expenditure)/income

Net (expenditure)/income for the year includes:

	2023 £	2022 £
Operating lease rentals	18,315	12,619
Depreciation of tangible fixed assets	4,159	5,292
Fees paid to Auditors for:		
- audit	5,830	4,860
- other services	6,520	5,435
	6,520	5,435

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	777,415	700,993
Social security costs	58,112	55,342
Pension costs	169,185	224,334
	1,004,712	980,669

b. Staff numbers

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

	2023 No.	2022 No.
Teachers	15	15
Administration and support	34	31
Management	1	1
	50	47

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**NOTES TO THE FINANCIAL STATEMENTS
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10. Staff (continued)

b. Staff numbers (continued)

The average headcount expressed as full-time equivalents was:

	2023 No.	2022 No.
Teachers	9	10
Administration and support	12	16
Management	1	1
	22	27
	22	27

c. Higher paid staff

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

	2023 No.	2022 No.
In the band £60,001 - £70,000	1	-
In the band £70,001 - £80,000	-	1
In the band £80,001 - £90,000	1	-
	1	1
	1	1

d. Key management personnel

The key management personnel of the Academy 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 was £279,386 (2022: £263,850).

Employer pension contributions included within key management personnel remuneration were £49,111 (2022: £48,578).

Employer national insurance contributions included within key management personnel remuneration were £23,816 (2022: £22,478).

**ST. THOMAS MORE CATHOLIC PRIMARY SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

11. Trustees' remuneration and expenses

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

		2023	2022
		£	£
Mrs M J Hall	Remuneration	80,000 -	75,000 -
		85,000	80,000
	Pension contributions paid	15,000 -	20,000 -
		20,000	25,000
Mrs E McNally	Remuneration	60,000 -	55,000 -
		65,000	60,000
	Pension contributions paid	10,000 -	10,000 -
		15,000	15,000
Mrs R Meichen	Remuneration	30,000 -	25,000 -
		35,000	30,000
	Pension contributions paid	5,000 -	5,000 -
		10,000	10,000

During the year ended 31 August 2023, no Trustees received reimbursement of expenses (2022: £Nil).

12. 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 2023 was included in other support costs.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

13. Tangible fixed assets

	Furniture and equipment £
Cost or valuation	
At 1 September 2022	69,186
Disposals	(9,025)
	60,161
At 31 August 2023	60,161
Depreciation	
At 1 September 2022	56,008
Charge for the year	4,159
On disposals	(7,410)
	52,757
At 31 August 2023	52,757
Net book value	
At 31 August 2023	7,404
At 31 August 2022	13,178

14. Debtors

	2023 £	2022 £
Due after more than one year		
Other debtors (see note 26)	180,000	180,000
Due within one year		
Trade debtors	162	10,891
Other debtors	101,705	97,171
Prepayments and accrued income	27,001	34,358
	308,868	322,420

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15. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	19,228	24,447
Other taxation and social security	12,798	13,030
Other creditors	104,823	103,734
Accruals and deferred income	51,578	33,084
	188,427	174,295
	188,427	174,295
	2023 £	2022 £
Deferred income at 1 September 2022	20,884	20,653
Resources deferred during the year	23,706	20,884
Amounts released from previous periods	(20,884)	(20,653)
	23,706	20,884
	23,706	20,884

At the balance sheet date the Academy was holding funds received in advance for universal infant free school meals for the next 23/24 academic year.

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

	2023 £	2022 £
Other creditors (see note 26)	180,000	180,000
	180,000	180,000

ST. THOMAS MORE CATHOLIC PRIMARY SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

17. Statement of funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds					
Unrestricted funds	20,073	196,412	(216,485)	-	-
Restricted general funds					
General Annual Grant (GAG)	-	878,590	(906,047)	-	(27,457)
Other DfE/ESFA grants	-	104,635	(104,635)	-	-
Other Government grants	-	5,476	(5,476)	-	-
Pupil Premium funding	-	13,948	(13,948)	-	-
Donation in kind	-	90,000	(90,000)	-	-
Restricted donations	-	21,555	(21,555)	-	-
Pension reserve	(87,000)	-	(9,000)	96,000	-
	(87,000)	1,114,204	(1,150,661)	96,000	(27,457)
Restricted fixed asset funds					
Restricted Fixed Asset Funds	13,178	-	(5,774)	-	7,404
Devolved Formula Capital	4,914	20,511	(9,055)	-	16,370
	18,092	20,511	(14,829)	-	23,774
Total Restricted funds	(68,908)	1,134,715	(1,165,490)	96,000	(3,683)
Total funds	(48,835)	1,331,127	(1,381,975)	96,000	(3,683)

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds (continued)

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

Unrestricted funds

This represents income received that does not have restrictions.

General Annual Grant (GAG)

This represents funding from the ESFA to cover the costs of recurrent expenditure.

Other DfE/ESFA grants

This represents funding received from the DfE/ESFA which is restricted in nature.

Other Government Grants

This represents various grants from local and national Government bodies for the provision of specific services to pupils of the Academy.

Pupil premium funding

This funding is to be used to raise achievement and improve outcomes for pupils from low-income families who are eligible for free school meals, looked after children and those from families with parents in the Armed Forces.

Restricted trip donations

This represents contributions made by parents to the running of educational visits for the pupils of the School and the associated costs of running the trips.

Donation in kind

This fund represents the rent free occupation of the land and buildings from the Diocese of Brentwood.

Pension reserve

This fund represents the Trust's share of the deficit on the Local Government Pension Scheme (LGPS).

Restricted fixed asset funds

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

Capital grants

Capital grants are to be used to maintain and improve the Trust's buildings and facilities.

**ST. THOMAS MORE CATHOLIC PRIMARY SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

17. Statement of funds (continued)

The Academy is carrying a net deficit of £(27,457) on restricted general funds (excluding pension reserve) plus unrestricted funds.

The Academy's balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds at 31 August 2023 was a deficit carry forward of £27,457 caused partly due to a £12.4k backdated support staff pay accrual which will be paid in December 2023 and also due to overspends on operational costs. As noted within the Regularity Report, these overspends were made from cash provided by other restricted funds. The Academy is implementing a series of cost saving measures to ensure that funds are replenished and is looking to raise additional income through fundraising however the Trustees recognise that the Academy is in a financially vulnerable position such that, should any large unexpected costs arise it may be necessary to request additional funding from the ESFA.

The Academy derives the majority of its income from local and national Government grant funding which is secured for a number of years, under the terms of the Academy Funding Agreement with the Secretary of State for Education. This will ensure that the Academy can continue operating for a period of at least 12 months following the date of this Report. Overall therefore, with measures taken to reduce costs and increase income the Trustees believe that it is correct to adopt the going concern basis and that the Trust can continue for a further 12 months from the date these accounts are approved and signed. The financial statements do not contain any adjustments that would be required if the Trust were not able to continue as a going concern.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

17. Statement of funds (continued)

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds					
Unrestricted funds	3,774	186,947	(170,648)	-	20,073
Restricted general funds					
General Annual Grant (GAG)	-	873,620	(873,620)	-	-
Other DfE/ESFA grants	-	74,669	(74,669)	-	-
Other Government grants	-	8,080	(8,080)	-	-
Special Education Needs (SEN)	-	2,308	(2,308)	-	-
Pupil Premium funding	-	17,166	(17,166)	-	-
Donation in kind	-	90,000	(90,000)	-	-
Restricted donations	-	18,150	(18,150)	-	-
Pension reserve	(759,000)	-	(83,000)	755,000	(87,000)
	(759,000)	1,083,993	(1,166,993)	755,000	(87,000)
Restricted fixed asset funds					
Restricted Fixed Asset Funds	15,519	2,951	(5,292)	-	13,178
Devolved Formula Capital	6,142	6,351	(7,579)	-	4,914
	21,661	9,302	(12,871)	-	18,092
Total Restricted funds	(737,339)	1,093,295	(1,179,864)	755,000	(68,908)
Total funds	(733,565)	1,280,242	(1,350,512)	755,000	(48,835)

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	7,404	7,404
Debtors due after more than one year	180,000	-	180,000
Current assets	160,970	16,370	177,340
Creditors due within one year	(188,427)	-	(188,427)
Creditors due in more than one year	(180,000)	-	(180,000)
Total	<u>(27,457)</u>	<u>23,774</u>	<u>(3,683)</u>

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	13,178	13,178
Debtors due after more than one year	-	180,000	-	180,000
Current assets	20,073	174,295	4,914	199,282
Creditors due within one year	-	(174,295)	-	(174,295)
Creditors due in more than one year	-	(180,000)	-	(180,000)
Provisions for liabilities and charges	-	(87,000)	-	(87,000)
Total	<u>20,073</u>	<u>(87,000)</u>	<u>18,092</u>	<u>(48,835)</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Reconciliation of net expenditure to net cash flow from operating activities

	2023 £	2022 £
Net expenditure for the year (as per Statement of Financial Activities)	(50,848)	(70,270)
Adjustments for:		
Depreciation	4,159	5,292
Capital grants from DfE and other capital income	(20,511)	(6,351)
Interest received	(29)	(13)
Decrease/(increase) in debtors	13,552	(78,030)
Increase in creditors	14,132	60,285
LGPS adjustment	9,000	83,000
Net cash used in operating activities	(30,545)	(6,087)

20. Cash flows from investing activities

	2023 £	2022 £
Interest received	29	13
Purchase of tangible fixed assets	-	(2,951)
Disposal of tangible fixed assets	1,615	-
Capital grants from DfE Group	20,511	6,351
Net cash provided by investing activities	22,155	3,413

21. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand and at bank	48,472	56,862
Total cash and cash equivalents	48,472	56,862

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**NOTES TO THE FINANCIAL STATEMENTS
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22. Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	56,862	(8,390)	48,472
	<u>56,862</u>	<u>(8,390)</u>	<u>48,472</u>

23. Pension commitments

The Academy'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 Essex County Council. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2022.

Contributions amounting to £12,920 were payable to the schemes at 31 August 2023 (2022 - £12,672) and are included within creditors.

Teachers' Pension Scheme

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

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

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**NOTES TO THE FINANCIAL STATEMENTS
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23. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The 31 March 2016 TPS actuarial valuation results were implemented from 1 September 2019. The key elements of the valuation and subsequent consultation were:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The latest actuarial TPS valuation results, as at 31 March 2020, were released in October 2023. The revised employer contribution rate, arising from this valuation, is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the year amounted to £111,059 (2022 - £107,661).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £62,000 (2022 - £57,000), of which employer's contributions totalled £50,000 (2022 - £46,000) and employees' contributions totalled £12,000 (2022 - £11,000). The agreed contribution rates for future years are 21.2 per cent for employers and 5.5-12.5 per cent for employees.

As described in note 1.12 the LGPS obligation relates to the employees of the Academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy at the balance sheet date.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on [GOV.UK](https://www.gov.uk).

**ST. THOMAS MORE CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

23. Pension commitments (continued)

Principal actuarial assumptions

	2023 %	2022 %
Rate of increase in salaries	3.90	3.95
Rate of increase for pensions in payment/inflation	2.90	2.95
Discount rate for scheme liabilities	5.30	4.25
Inflation assumption (CPI)	2.90	2.95

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

	2023 Years	2022 Years
Retiring today		
Males	20.7	21.0
Females	23.2	23.5
Retiring in 20 years		
Males	22.0	22.3
Females	24.6	24.9

Sensitivity analysis

	2023 £000	2022 £000
Discount rate +0.1%	(15)	(20)
Discount rate -0.1%	16	20
Mortality assumption - 1 year increase	22	23
Mortality assumption - 1 year decrease	(21)	(22)
CPI rate +0.1%	16	20
CPI rate -0.1%	(15)	(19)

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

23. Pension commitments (continued)

Share of scheme assets

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

	At 31 August 2023 £	At 31 August 2022 £
Equities	452,000	395,000
Gilts	10,000	14,000
Corporate bonds	-	31,000
Property	61,000	67,000
Cash and other liquid assets	23,000	21,000
Alternative assets	123,000	105,000
Other managed funds	109,000	70,000
Total market value of assets	778,000	703,000

The actual return on scheme assets was £33,000 (2022 - £-2,000).

The amounts recognised in the Statement of Financial Activities are as follows:

	2023 £	2022 £
Current service cost	(57,000)	(117,000)
Interest income	31,000	11,000
Interest cost	(33,000)	(23,000)
Employer contributions	50,000	46,000
Total amount recognised in the Statement of Financial Activities	(9,000)	(83,000)

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

	2023 £	2022 £
At 1 September	790,000	1,405,000
Current service cost	57,000	117,000
Interest cost	33,000	23,000
Employee contributions	12,000	11,000
Actuarial gains	(93,000)	(764,000)
Benefits paid	(23,000)	(2,000)
At 31 August	776,000	790,000

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

23. Pension commitments (continued)

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

	2023 £	2022 £
At 1 September	703,000	646,000
Interest income	31,000	11,000
Actuarial gains/(losses)	3,000	(9,000)
Employer contributions	50,000	46,000
Employee contributions	12,000	11,000
Benefits paid	(23,000)	(2,000)
At 31 August	<u>776,000</u>	<u>703,000</u>

24. Operating lease commitments

At 31 August 2023 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	10,560	15,963
Later than 1 year and not later than 5 years	12,752	19,306
	<u>23,312</u>	<u>35,269</u>

25. Members' liability

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

**ST. THOMAS MORE CATHOLIC PRIMARY SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

26. Related party transactions

Owing to the nature of the Academy 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 Trustee have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy's financial regulations and normal procurement procedures relating to connected and related party transactions.

The Trust operates from land and buildings provided rent free by the Diocese of Brentwood. Under an agreement between the Diocese, the Trust and the Secretary of State the Diocese would be required to give 24 months notice from the current year end if it wished to terminate this agreement. No such notice had been given at the year end and the Diocese is therefore committed to providing the land and buildings rent free for a further 36 months from the year end in these accounts. The Trustees estimate that the cost of renting equivalent buildings would be £90,000 (2022: £90,000) per annum, on this basis a donation from the Diocese of £90,000 (2022: £90,000) is shown in the accounts together with a notional expense of the same amount. In addition, included within debtors is a donation in kind receivable of £180,000 (2022: £180,000) representing the commitment by the Diocese to provide the land and buildings rent free for a further 36 months. The same is included within creditors to represent the notional cost of renting free for a further 36 months.

During the year the Trust paid £2,448 (2022: £1,632) to the Diocese of Brentwood. This related to the levy charge. This was in accordance with the requirements of the Academy Trust Handbook.

There were no other related party transactions during the year (2022: £NIL).