

Company Registration No. 09436283 (England and Wales)

**OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD
(FORMERLY ST LUKE ACADEMIES TRUST)**

(A COMPANY LIMITED BY GUARANTEE)

**ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2020**

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 12
Governance statement	13 - 16
Statement on regularity, propriety and compliance	17
Statement of trustees' responsibilities	18
Independent auditor's report on the accounts	19 - 21
Independent reporting accountant's report on regularity	22 - 23
Statement of financial activities including income and expenditure account	24
Balance sheet	25
Statement of cash flows	26
Notes to the accounts including accounting policies	27 - 54

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

REFERENCE AND ADMINISTRATIVE DETAILS

Member	Mgr. K McGinnell M Kavanagh A McLaughlin J Rogers
Trustees	Mr R A Hill (Vice Chair) Ms A C Kilsby Mr D T Lally (Resigned 1 February 2020) Mr E B McAuley (Resigned 1 February 2020) Ms C Smith (Resigned 1 February 2020) Mr B Sweeney (Resigned 1 February 2020) Dr P Neeson (Resigned 1 February 2020) Mrs D Gallagher (Resigned 1 February 2020) Dr L A Cullen (School Improvement Director) (Appointed 1 September 2019 and resigned 1 September 2019) Mr J Burns (Appointed 5 September 2019 and resigned 1 February 2020) Mr C J Donnellan (Chair) (Appointed 1 February 2020) Miss C J Leong (Appointed 1 February 2020) Mr W Nelson (Appointed 1 February 2020) Mrs L Debertol (Appointed 1 February 2020)
Senior management team	
- Strategic Executive Lead	T Bishop
- Chief Financial Officer	S Robinson
- Operations Manager	N Young
- School Improvement Team	L Cullen
- School Improvement Team	B Grimley
- Senior Data Analyst	S Jukes
- Trust HR Lead	J Brakes-Oakes
Company secretary	Mr A Waterhouse
Company registration number	09436283 (England and Wales)
Principal and registered office	C/o St Thomas More Catholic Secondary School Tyne Crescent Bedford MK41 7UL

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

REFERENCE AND ADMINISTRATIVE DETAILS

Academies operated	Location	Headteacher
Our Lady of Walsingham Catholic Primary School	Corby	M Hayes
St Brendan's Catholic Primary School	Corby	L Brydon
St Edward's Catholic Primary School	Kettering	P Cuddihy
St Thomas More Catholic Primary School	Kettering	F Donald
St Gregory's Catholic Primary	Northampton	K Yuen
St Mary's Catholic Primary School	Northampton	K Yuen
The Good Shepherd Catholic Primary School	Northampton	C Dodds
St John Rigby Catholic Primary School	Bedford	M McGettigan
St Joseph's & St Gregory's Catholic Primary School	Bedford	L Sumpter
Thomas Becket Catholic School	Northampton	M McLaughlin
St Thomas More Catholic Secondary School	Bedford	M Bonner
Independent auditor	Azets Audit Services Thorpe House 93 Headlands Kettering Northamptonshire NN15 6BL	
Bankers	Lloyds Bank plc 26 New Post Office Square Corby NN17 1PB	
Solicitors	Howes Percival Bell House Seebeck Place DX 84750 Milton Keynes	

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

The trustees present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

During the period 1 September 2019 to 31 August 2020, Our Lady Immaculate Catholic Academies Trust Ltd operated nine primary schools for pupils aged 4 to 11 and two secondary schools for pupils aged 11 to 18, serving catchment areas in Bedford, Corby, Kettering and Northampton. It had a combined pupil capacity of 5,334 and had a roll of 4,534 in the January 2020 School Census.

Structure, governance and management

Constitution

Our Lady Immaculate Catholic Academies Trust Ltd is a company limited by guarantee and an exempt charity. The charitable company's memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The Trustees of Our Lady Immaculate Catholic Academies Trust Ltd are also the Directors of the charitable company for the purposes of company law. The charitable company is known as Our Lady Immaculate Catholic Academies Trust Ltd .

Details of the Trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members' liability

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

Trustees' indemnities

Trustees benefit from indemnity insurance to cover the liability of the trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the academy trust.

Method of recruitment and appointment or election of trustees

The management of the academy trust is the responsibility of the trustees (directors) who are appointed by the Duns Scotus Trust, or elected or co-opted under the terms of the Articles of Association and in accordance with the requirements of the Duns Scotus Trust which is the sole member of the charitable company.

As part of the procedures for the recruitment of new trustees, the completion of the Academy Foundation Application Form and Skills Audit is compulsory and these are submitted to the Diocese for approval. Any new Foundation director must also sign an Undertaking to the Founder Member, acknowledging that they have read, understood and will comply with the terms of the Articles, Funding Agreements, Scheme of Delegation and lease entered into by the Company as tenant with the diocese as landlord and, where applicable, with Bedford Borough Council or Northamptonshire County Council as landlord.

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Policies and procedures adopted for the induction and training of trustees

All new trustees are provided with and must sign to confirm that they have read and understood the Articles of Association and Funding Agreements. All trustees are provided with electronic access to copies of the policies, procedures, minutes, accounts and other documents they need to undertake their role as trustees. The clerk to the Board of Directors ensures that new trustees are provided with up-to-date information to support them in their role. The trustees ensure that new directors have access to training relevant to their role and training of directors is an item on Director Committees' agendas. The directors have adopted an induction policy outlining expectations in relation to induction of academy representatives.

Organisational structure

Our Lady Immaculate Catholic Academies Trust Ltd is governed by directors constituted under a Memorandum of Understanding and Articles of Association. This Board of Directors is responsible for ensuring that high standards of governance are maintained. It exercises its powers and functions with a view to fulfilling a largely strategic leadership role in the running of the schools, promoting collaboration in leadership, teaching and business management of each school. The directors have appointed separate committees known as Local Academy Committees (LAC) for each academy. The delegation of functions to the LAC is set out in the Scheme of Delegation.

The Board also appoints sub-committees to support it in a range of delegated and preparatory duties. The membership, terms of reference, delegated responsibilities and proceedings of committees, and local governing bodies and sub-committees, are determined by the Directors in a Scheme of Delegation for Governance Functions document and reviewed every 12 months. Where any power or function of the directors has been exercised by any committee, the committee reports to the directors at the meeting immediately following the action or decision. Each individual school within the Trust has their own headteacher. The Trust has a Chief Executive Officer (Strategic Executive Lead) who acts as Accounting Officer to comply with the Academies Financial Handbook. The trust have also appointed a senior leadership team as specified above.

Arrangements for setting pay and remuneration of key management personnel

Foundation directors are volunteers and receive no pay and remuneration.

In setting pay for trust senior staff, the trustees have developed job descriptions and person specifications and consulted with HR advisors to evaluate roles and taken advice from HR in setting their pay scales.

Pay scales for senior staff in schools are set and reviewed in accordance with the Pay Policy for Teachers, which follows Local Authority HR guidance, taking into consideration guidance in the Teachers Pay and Conditions Document. The Local Authority Pay Policy for Support Staff has also been adopted.

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period

-

Full-time equivalent employee number

-

Percentage of time spent on facility time

Percentage of time

Number of employees

0%

-

1%-50%

-

51%-99%

-

100%

-

Percentage of pay bill spent on facility time

Total cost of facility time

-

Total pay bill

9,798,000

Percentage of the total pay bill spent on facility time

-

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours

-

Related parties and other connected charities and organisations

The directors are appointed with approval by the Duns Scotus Trust and the Northampton Catholic Diocese Trustee in accordance with the Articles of Association. Otherwise there are no related parties which either control or significantly influence the decisions and operations of Our Lady Immaculate Catholic Academies Trust Ltd. The schools within the trust are part of North Northamptonshire Catholic School Partnership and individually are involved in different charitable activities, but neither of these activities influences decisions or operations. The schools are also members of the Teaching Schools Alliance. This provides support and training to sustain school improvement, but has no influence on any trust decisions or procedures.

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and activities

Objects and aims

The Articles state that the Object of Our Lady Immaculate Catholic Academies Trust Ltd is to advance Catholic religion for pupils of school age in the Diocese and that all schools within Our Lady Immaculate Catholic Academies Trust Ltd must conduct themselves in accordance with the teachings of the Catholic Church, Canon law and any advice offered by the Diocesan Bishop. All academies will offer a broad and balanced curriculum.

The vision of the Trust is to develop each of its schools as welcoming and inclusive communities, where faith is nurtured, excellence in learning is achieved and pupils are inspired to serve others, following the example of Jesus.

Our Lady Immaculate Catholic Academies Trust Ltd's aims:

For All:

Christian values at the heart of all activities;

- faithfulness and integrity;
- dignity and compassion;
- humility and gentleness;
- truth and justice;
- forgiveness and mercy;
- purity and holiness;
- tolerance and peace

For Learners

- Schools where children come first and all activities reflect this.
- Inclusive schools that promote the highest expectations for every individual.
- Every lesson good or better.
- Every child enabled to make progress and fulfil their God-given potential.
- Every individual nurtured emotionally and spiritually and encouraged to learn independently.
- Celebration of diversity.

For Staff

- A working environment strengthened and nurtured by our Catholic faith.
- Mutual support linked to priorities.
- Collaborative work in a system of self-improving schools.
- A community of peer led professional learning, reflection, challenge and support.

For Communities

- Schools assisting parents in the education and religious formation of their children;
- Schools to be proud of, rooted in partnership with and service to our Catholic communities;
- Catholic schools that look outwards and work towards achieving community cohesion and to be of service to society.

Objectives, strategies and activities

On 1 February 2020 the three academies that were formally part of St Francis of Assisi Academy Trust and the four academies that were formally part of St Thomas of Canterbury Catholic Academies Trust joined the Trust. Also on this date the academy trust changed its name from St Luke Academies Trust to Our Lady Immaculate Catholic Academies Trust Ltd. Since this consolidation the trust's focus has been:

- The development of a central team and services to remove unnecessary work from school leadership teams enabling focus on school improvement.
- Alignment, replacement and updating of legacy systems, policies and procedures.
- Establishment of a dedicated School Improvement team to drive forward school improvement.
- Implementation of a school improvement strategy and bespoke plan for each school with the aim of rapid improvement and movement out of categories.
- Implementation of a governance development programme to support school improvement.

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Public benefit

The Directors of the Academy Trust have complied with the duty to have high regard for the guidance on public benefit, published by the Charity Commission. They believe that the activities of their member schools support the aims and objectives of the Trust and have a positive impact on pupils in their schools and on the wider community. In addition to the benefit to pupils and parents, each school within Our Lady Immaculate Catholic Academies Trust Ltd contributes to their own local community, through such initiatives as letting areas of their school to local community groups, supporting local community initiatives and working with local parishes to develop community involvement in the school and church.

Strategic report

Achievements and performance

Shortly after the Trust's reconfiguration the country entered a period of national lockdown due to Covid 19. The Trust plans focused on managing this unforeseen event whilst continuing to provide quality education and progressing its school improvement agenda.

All schools in the Trust:

- Transitioned to lockdown in an orderly manner.
- Remained open for children of essential employees.
- Provided some form of distance learning and support for pupils.
- Monitored the wellbeing and provided additional support / contact for vulnerable children.
- Provided wellbeing support for pupils and staff.

All schools in the Trust carried out robust risk assessments prior to children returning to physical sites and have continued to monitor and review these in accordance with PHE guidelines.

Development work continued to enable access to online learning across all schools via the 'Teams' system and should this be required, is now accessible by all teaching groups across the Trust.

Performance outcomes under Covid rules are statistically non valid and cannot be used for any comparisons or metrics.

An action plan is in place bespoke to each school and supported by the School Improvement team. Cross trust groupings are working actively across all levels and subjects.

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Employee consultation and disabled employees

The Trustees recognise that equal opportunities are an integral part of good practice within the workplace. The academy trust aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

The Trust has an accessibility plan for disabled persons for all of its premises to ensure equality of access to buildings, curricular and extra-curricular activities. Physical aids are also in place, for example, lifts and ramps to access some class rooms and all teaching blocks. Disabled toilets are installed and door widths are adequate to enable wheelchair access to all the main areas of the academies. The policy of the academy trust is to support recruitment and retention of students and employees with disabilities. The academy trust does this by adapting the physical environment to suit the needs of individuals and by making support resources available and through training and career development.

Going concern

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

Financial review

To ensure a safe and secure environment for the vulnerable and keyworker students and accompanying teaching and support staff who remained in school during the period of lockdown, significant investment was needed in personal protective equipment including and an enhanced cleaning regime. In preparation for full school reopening, further investment was needed on physical separation in areas where larger groups of students get together. Whilst some funding was available for the 2019/20 financial year to support these costs, the Trust carries the risk of future expenditure to maintain these enhanced levels of segregation, cleaning and ongoing requirement for personal protective equipment.

The majority of the academy trust's income is obtained from the DFE via the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted for particular purposes.

Pupil Premium Funding and Sports Funding are also received from the ESFA and other grants, such as Special Educational Needs Top Up funding is received from the Local Authority. In accordance with SORP (Statement of Recommended Practice), these sources of funding are shown in the Statement of Financial Activities (SOFA) as Restricted Funds. Any other items of funding have been assigned in the financial statements in accordance with the guidelines set down by SORP.

In the period 1st September 2019 to 31st August 2020 total expenditure, excluding the transfer of existing academies into the Trust was £18,156,000 (2019: £5,482,000) and total income £17,055,000 (2019: £5,111,000).

At 31st August 2020 the value of assets was £8,107,000 (2019: £1,845,000). The assets were used exclusively for providing education and the associated support services to pupils of Our Lady Immaculate Catholic Academies Trust Ltd.

Financial Position

At 31st August 2020 the total fund balances were £(7,074,000) (2019: £(923,000)). This is due to the academy trust's restricted pension fund deficit of £13,000,000 (2019: £2,390,000) being in excess of its other fund balances (comprising other restricted general funds of £2,230,000 (2019: £908,000), restricted fixed asset funds of £1,441,000 (2019: £416,000) and unrestricted funds of £2,255,000 (2019: £143,000)) at the year end.

The deficit on the pension reserve relates to the non-teaching staff pension scheme where, unlike the teachers scheme, separate assets are held to fund future liabilities. The deficit can be met in the longer term from any combination of increased employer or employee contributions, increased government funding or changes to scheme benefits.

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Reserves policy

The directors understand that the trust needs to maintain an appropriate level of reserves to provide sufficient capital to cover delays between spending and receipt of income from the available funding streams, to fund capital projects or to provide for unexpected expenditure and emergencies.

The directors have adopted a Reserves Policy which:

- Assists in strategic planning by considering how new projects or activities will be funded.
- Informs the budget process by considering whether reserves need to be used during the financial year or built up for future projects.
- Informs the budget and risk management process by identifying any uncertainty in future income streams.

The trustees identify:

- When reserves are drawn on, so that they understand the reasons for this and can consider what corrective action, if any, needs to be taken.
- When reserve levels rise significantly above target so that they understand the reasons and can consider the corrective action, if any that needs to be taken.
- Where the reserves level is below target, and consider whether this is due to short-term circumstance or longer term reasons which might trigger a broader review of finances and reserves.

Our Lady Immaculate Catholic Academies Trust Ltd has set the reserves level for schools for the financial year at not less than one month's payroll costs. The level of reserve is set on an annual basis as part of the budget setting plan.

All schools within the Trust held reserves at the end of August 2020, although these were of varying levels. Where schools do not have the level of reserves recommended by the Trust, there is support in place to ensure that effective management of finances take place to build reserves to the recommended levels.

The Trust's current level of free reserves is £4,485,000 (2019: £1,051,000), which is currently equivalent to 2 to 3 month's payroll costs. Given increasing salary costs (increases in salaries, Teachers' Pensions contributions and National Insurance costs) and the downward pressure on grant income the Trustees currently aim to hold additional reserves to cover any future budget gaps. The schools are still in a transition phase with PAN reducing each year. So support will be needed as staffing structure are brought into line to match the new profile on new numbers follow through the school

At 31 August 2020 the total funds totalled £(7,074,000) (2019: (£923,000)) and comprised Unrestricted reserves £2,255,000 (2019: £143,000), Restricted fixed asset reserves £1,441,000 (2019: £416,000), Restricted pension reserves £(13,000,000) (2019: £(2,390,000)) and Restricted general reserves £2,230,000 (2019: £908,000).

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Investment policy

The aim of Our Lady Immaculate Catholic Academies Trust Ltd is to spend the public monies with which it is entrusted for the direct educational benefit of pupils as soon as is prudent. The trust does not consider the investment of surplus funds as a primary activity, rather it is the result of good practice as and when circumstances allow.

Our Lady Immaculate Catholic Academies Trust Ltd does not hold any investments at the current time. During the previous year Our Lady of Walsingham School held £101,000 in a fixed term deposit account, at a 0.7% interest rate. This deposit was closed in the current financial year.

The directors have adopted an investment policy with guidance to schools. Regular cash flow reports are prepared and monitored to ensure there are adequate liquid funds to meet all payroll related commitments and outstanding creditors that are due for payment.

The following guidelines are in place for any potential future investments:

- Regular cash flow reports are to be prepared and monitored to ensure there are adequate liquid funds to meet all payroll related commitments and outstanding creditors that are due for payment.
- Where the cash flow identifies a base level of cash funds that will be surplus to requirements these may be invested following approval from the Finance & Resources Committee. Approval must be signed off and recorded in the committee minutes.
- In making decisions regarding where and how any surplus funds should be invested, due regard will be given to risk.
- The Finance & Resources Committee will receive a report at each meeting as to the performance of the investment.
- The aim is to reach an appropriate level of reserve to allow the management and the Finance & Resources Committee to explore alternative investment possibilities with criteria being:
 - Investment with a different counterparty (in order to reduce counterparty risk);
 - Consideration of whether there should be a maximum level of investment with a single approved counterparty; and
 - A longer term investment with a higher return (but not high risk investments which are not in the best interests of the Trust).
- External advice, if sought will be sourced from recognised bodies e.g. banks, to inform the decision making process and the Trust will always aim to enter in to ethical investments.

Principal risks and uncertainties

An analysis of potential risk had been previously completed and strategies identified to control and manage risks to the Trust. Since the reorganisation of the Trust on 1 February 2020, following the introduction of seven further schools into the Trust, all schools have been asked to carry out a risk assessment in order to create a new trust-wide risk register, which will be fully completed in the 2020/21 academic year.

The majority of risks identified to date are low risks, as a result of:

- policies and procedures put in place by Directors to minimise risks, including budget management and forecasting procedures;
- external audits that identify any potential risks and actions to address them;
- the procurement of adequate insurance cover;
- investing in staff training and continuing professional development;
- a clear school improvement strategy to ensure schools within the Trust secure good outcomes for pupils, resulting in a reputation that will attract pupils and achieve high pupil numbers in schools;
- all schools maintain a large number of policies and procedures which protect staff, students and the Trust, and reduce the risk of safeguarding failures.

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Principal risks identified by Directors in the risk review and actions to address them:

- Continued marketing action to further promote schools, attract staff and increase numbers.
- Prepare staff to manage new financial reporting systems so that Office Managers are effective in role and financial procedures and reports meet deadlines.
- Conduct a governance review of all new schools entering the Trust to ensure that control measures remain strong.
- Introduce new management systems to facilitate communication and the collection and dissemination of information to ensure timely and accurate reporting.

The deficit on the pension reserve relates to the non-teaching staff pension scheme where, unlike the teachers' scheme, separate assets are held to fund future liabilities. The Trustees of the Local Government Pension Scheme arrange for appropriate contribution rates to be paid by the members and the employer to ensure that the pension scheme is properly funded over time.

Fundraising

Our Lady Immaculate Catholic Academies Trust Ltd does not take part in any fundraising activities to raise funds to benefit the organisation. The Trust does not work with any professional fundraisers and has no plans in the immediate future to become involved in any fundraising activities from which it would benefit. As no fundraising takes place on its behalf, no monitoring is required.

Plans for future periods

The following general priorities have been identified for the future development of the Trust and its schools:

- Improved communication between Trust and parents across schools.
- Continued marketing and promotion of schools within the Trust.
- Continued development of collective efficacy within the Trust and strengthening of partnership links with parishes, other Catholic MATs and the diocese.
- Effective RSE/PSHE curriculum in line with diocesan/CES guidelines.
- Effective leadership of RE, with identified focus on assessment.
- Focused school improvement strategy to tackle Trust/schools achievement priorities and further refine assessment reporting procedures to ensure monitoring of achievement of all groups, including vulnerable groups, is highly effective.
- CPD, coaching and joint professional development opportunities to ensure leaders, teachers and TAs have the skills to further raise standards, deliver good teaching and disseminate good practice to ensure rapid improvement.
- Enhanced capacity to close gaps in attainment within vulnerable groups.
- IT plan ensuring that technology is available and is used effectively to support pupils' learning into the future.
- Effective strategy for recruitment of high quality teaching staff.
- Increased skills and capacity of directors and governors through training and coaching.
- Improved leadership capacity within Trust as a result of training, networking and coaching for senior leaders and MAT Leads.
- Opportunities in place for senior leaders to provide support to schools within and outside the MAT to support leadership development.
- Effective business strategy, with clear cycles and timelines in place to support effective premises, administration, HR and financial leadership and management in schools.
- Consistent reports to governors across schools and to directors in relation to finance and resources, HR and premises.
- Enhanced financial skills and capacity of HTs and Office Managers through training, coaching and targeted support.
- Improved efficiencies and best value secured through liaison with MATs and outside procurement organisations.
- Potential additional income opportunities secured to support future sustainability.
- CPD, effective procedures and strategies in place to support good attendance of pupils across schools.
- Key focus on supporting staff and pupil wellbeing/mental health at senior leadership and board level.
- Trust Wellbeing Policy developed.

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

CIF projects and Capital building works planned:

Thomas Becket Catholic School

Fire door replacements and fire systems upgrades - £221,000

St Joseph's & St Gregory's Catholic Primary School

Replacement boiler - £757,000

St John Rigby Catholic Primary School

Replacement boiler - £392,000

St Thomas More Catholic Secondary School

Fire door replacement - £79,000

Replacement boilers - £944,000

St Thomas More Catholic Primary School

Replacement boilers - £305,000

Funds held as custodian trustee on behalf of others

None.

Auditor

In so far as the Trustees are aware:

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

A resolution proposing that Azets Audit Services be reappointed as auditor of the charitable company will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 30 December 2020 and signed on its behalf by:

Mr C J Donnellan
Chair

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2020

Scope of responsibility

As trustees we acknowledge we have overall responsibility for ensuring that Our Lady Immaculate Catholic Academies Trust Ltd (Formerly St Luke Academies Trust) has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The board of trustees has delegated the day-to-day responsibility to the Strategic Executive Lead, 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 Our Lady Immaculate Catholic Academies Trust Ltd (Formerly St Luke Academies Trust) and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 6 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
Mr R A Hill (Vice Chair)	6	6
Ms A C Kilsby	6	6
Mr D T Lally (Resigned 1 February 2020)	0	2
Mr E B McAuley (Resigned 1 February 2020)	2	2
Ms C Smith (Resigned 1 February 2020)	2	2
Mr B Sweeney (Resigned 1 February 2020)	2	2
Dr P Neeson (Resigned 1 February 2020)	2	2
Mrs D Gallagher (Resigned 1 February 2020)	1	2
Dr L A Cullen (School Improvement Director) (Appointed 1 September 2019 and resigned 1 September 2019)	0	0
Mr J Burns (Appointed 5 September 2019 and resigned 1 February 2020)	1	2
Mr C J Donnellan (Chair) (Appointed 1 February 2020)	4	4
Miss C J Leong (Appointed 1 February 2020)	4	4
Mr W Nelson (Appointed 1 February 2020)	4	4
Mrs L Debertol (Appointed 1 February 2020)	4	4

Key changes to the board of trustees are detailed above. The most major change in the year took place on 1 February 2020 as the additional seven academies joined the academy trust and a largely new board of trustees was appointed to reflect the interests of all academies now under the academy trust's control.

Shortly after the reorganisation of the new board of trustees the country went into lockdown measures in response to the Covid 19 pandemic, as a result of which the board has had to concentrate its efforts on developing the academy trust's strategies to ensure the continuing provision of education for its pupils.

As noted above the board met 6 times during the year and in addition to this the finance and resources committee met once. These meetings, together with the Audit Committee meetings and regular involvement of the Accounting Office and Chairs in day to day academy business (as required) provided effective oversight of funds.

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

As noted above, the current composition of the board of trustees has only been in place since 1 February 2020, and for much of the remainder of the academic year the academy trust has been dealing with the challenges of the need to provide a continuing education service subject to the requirements and restrictions brought about by the Covid 19 pandemic. Consequently the board of trustees intend to carry out their next review and evaluation of governance in the 2020/21 academic year.

Until 1 February 2020 the finance and resources committee was a sub-committee of the main board of trustees. Its purpose was to monitor, evaluate and review policies, procedures and performance in relation to financial management, to comply with reporting and regulatory requirements, to prepare the draft budget for approval by the full Board of Directors, to lead the development of strategic financial plans and provide leadership on financial issues. This committee also had responsibility for Health and Safety and Safeguarding policies and procedures.

Since 1 February 2020 this committee has been disbanded and its responsibilities are performed by the main board of trustees.

Attendance at meetings in the year until it was disbanded was as follows:

Trustees	Meetings attended	Out of possible
Mr R A Hill (Vice Chair)	1	1
Mr E B McAuley (Resigned 1 February 2020)	1	1
Mr B Sweeney (Resigned 1 February 2020)	1	1
Dr P Neeson (Resigned 1 February 2020)	1	1

The audit committee was a sub-committee of the main board of trustees until 1 February 2020 and had responsibility in relation to reviewing the risks to internal financial control of the Academy Trust and establishing a programme of work to address these risks and, so far as is possible, provide assurance to external auditors. Since 1 February 2020 all matters previously dealt with by the audit committee are now addressed by the main board of trustees.

Attendance at sub-committee meetings in the period to 1 February 2020 was as follows:

Trustees	Meetings attended	Out of possible
Ms A C Kilsby	1	1
Mr D T Lally (Resigned 1 February 2020)	1	1
Ms C Smith (Resigned 1 February 2020)	0	1

Review of value for money

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

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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

- Re-tendering for its external audit services resulting in expected annual cost savings in the region of £20,000 per annum, compared to the annual fees paid for external audit services when the Trust's schools were previously held by three separate multi-academy trusts.
- Developing an effective and far reaching Trust school improvement offer that is funded from within Trust charges will reduce the need for schools to use their own funding to support improvement.
- The development of in house expertise in business functions such as HR and payroll is reducing the need for schools to purchase additional support from outside companies.

The re-composition of the Trust during the year, together with the financial and strategic demands of the Covid 19 pandemic, have limited the accounting officer's ability to deliver further improved value for money projects in the current year.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Our Lady Immaculate Catholic Academies Trust Ltd (Formerly St Luke Academies Trust) for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of trustees.

The risk and control framework

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

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

Once the new board of trustees was appointed on 1 February 2020 it considered the need for a specific internal audit function and decided to buy-in an internal audit service from an appropriately qualified independent third party. A tender process was instigated, but the outcome delayed by the Covid 19 pandemic. The contract for this service was subsequently awarded to Infinitas Accountants Limited, and the internal audit service commenced in the 2020/21 financial year.

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Review of effectiveness

As accounting officer the Strategic Executive Lead 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 external auditor;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

As noted above, the internal audit service provider was not appointed to carry out any review until after the year end and therefore no reviews have been completed in the current year.

The accounting officer will ensure that plans are drawn up to address any weaknesses identified by future reviews to ensure a continuous improvement of the systems.

Approved by order of the board of trustees on 30 December 2020 and signed on its behalf by:

Mr C J Donnellan
Chair

Mr T Bishop
Accounting Officer

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2020

As accounting officer of Our Lady Immaculate Catholic Academies Trust Ltd (Formerly St Luke Academies Trust), I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the academy trust's board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2019.

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

Mr T Bishop
Accounting Officer

30 December 2020

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2020

The trustees (who are also the directors of Our Lady Immaculate Catholic Academies Trust Ltd (Formerly St Luke Academies Trust) for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2019 to 2020 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare accounts for each financial year. Under company law, the trustees must not approve the accounts 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 accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

Approved by order of the members of the board of trustees on 30 December 2020 and signed on its behalf by:

Mr C J Donnellan
Chair

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

FOR THE YEAR ENDED 31 AUGUST 2020

Opinion

We have audited the accounts of Our Lady Immaculate Catholic Academies Trust Ltd (Formerly St Luke Academies Trust) for the year ended 31 August 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

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

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Use of our report

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

**Mr Ian Chown (Senior Statutory Auditor)
for and on behalf of Azets Audit Services**

22 January 2021

Statutory Auditor

Thorpe House
93 Headlands
Kettering
Northamptonshire
NN15 6BL

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST) AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2020

In accordance with the terms of our engagement letter dated 22 September 2020 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Our Lady Immaculate Catholic Academies Trust Ltd (Formerly St Luke Academies Trust) during the period 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Our Lady Immaculate Catholic Academies Trust Ltd (Formerly St Luke Academies Trust) and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Our Lady Immaculate Catholic Academies Trust Ltd (Formerly St Luke Academies Trust) and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Our Lady Immaculate Catholic Academies Trust Ltd (Formerly St Luke Academies Trust) and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Our Lady Immaculate Catholic Academies Trust Ltd (Formerly St Luke Academies Trust)'s accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Our Lady Immaculate Catholic Academies Trust Ltd (Formerly St Luke Academies Trust)'s funding agreement with the Secretary of State for Education dated 30 April 2014 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST) AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

The work undertaken to draw to our conclusion includes:

- Testing of the internal control procedures has been carried out in the following areas:
 - Sample test of delegated authority procedures
 - Enquiry and review of transactions with connected persons
 - Review of governance procedures including inspection of trustee and relevant Board minutes
 - Sample test of procurement procedures
- Communication with the accounting officer

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant

Azets Audit Services
Thorpe House
93 Headlands
Kettering
Northamptonshire
NN15 6BL

Dated: 22 January 2021

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted funds £'000s	Restricted funds: General £'000s	Fixed asset £'000s	Total 2020 £'000s	Total 2019 £'000s
Income and endowments from:						
Donations and capital grants	3	-	11	343	354	249
Charitable activities:						
- Funding for educational operations	4	-	16,501	-	16,501	4,811
- Funding for teaching school	27	-	116	-	116	-
Other trading activities	5	82	-	-	82	50
Investments	6	2	-	-	2	1
Total		84	16,628	343	17,055	5,111
Expenditure on:						
Raising funds	7	-	-	-	-	46
Charitable activities:						
- Educational operations	9	-	17,830	236	18,066	5,436
- Teaching school	27	-	90	-	90	-
Charitable expenditure - transfer of existing academies into the trust		(2,028)	5,954	(1,324)	2,602	-
Total	7	(2,028)	23,874	(1,088)	20,758	5,482
Net income/(expenditure)		2,112	(7,246)	1,431	(3,703)	(371)
Transfers between funds	17	-	406	(406)	-	-
Other recognised gains/(losses)						
Actuarial losses on defined benefit pension schemes	19	-	(2,448)	-	(2,448)	(552)
Net movement in funds		2,112	(9,288)	1,025	(6,151)	(923)
Reconciliation of funds						
Total funds brought forward		143	(1,482)	416	(923)	-
Total funds carried forward		2,255	(10,770)	1,441	(7,074)	(923)

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

BALANCE SHEET

AS AT 31 AUGUST 2020

		2020	2019
	Notes	£'000s	£'000s
Fixed assets			
Tangible assets	13	1,042	345
Current assets			
Debtors	14	1,089	206
Cash at bank and in hand		5,976	1,294
		7,065	1,500
Current liabilities			
Creditors: amounts falling due within one year	15	(2,181)	(378)
Net current assets		4,884	1,122
Net assets excluding pension liability		5,926	1,467
Defined benefit pension scheme liability	19	(13,000)	(2,390)
Total net liabilities		(7,074)	(923)
Funds of the academy trust:			
Restricted funds	17		
- Fixed asset funds		1,441	416
- Restricted income funds		2,230	908
- Pension reserve		(13,000)	(2,390)
Total restricted funds		(9,329)	(1,066)
Unrestricted income funds	17	2,255	143
Total funds		(7,074)	(923)

The accounts on pages 24 to 54 were approved by the trustees and authorised for issue on 30 December 2020 and are signed on their behalf by:

Mr C J Donnellan
Chair

Company Number 09436283

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020 £'000s	2019 £'000s
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	20	602	(29)
Cash funds transferred on academies transferring into the trust		4,460	-
		<u>5,062</u>	<u>(29)</u>
Cash flows from investing activities			
Dividends, interest and rents from investments		2	1
Capital grants from DfE Group		139	98
Capital funding received from sponsors and others		47	-
Purchase of tangible fixed assets		<u>(568)</u>	<u>(87)</u>
Net cash (used in)/provided by investing activities		<u>(380)</u>	<u>12</u>
Net increase/(decrease) in cash and cash equivalents in the reporting period		<u>4,682</u>	<u>(17)</u>
Cash and cash equivalents at beginning of the year		<u>1,294</u>	<u>1,311</u>
Cash and cash equivalents at end of the year		<u><u>5,976</u></u>	<u><u>1,294</u></u>

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

Our Lady Immaculate Catholic Academies Trust Ltd (Formerly St Luke Academies Trust) is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the trustees' report.

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

1.1 Basis of preparation

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

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

The Balance Sheet shows a negative net funds position due to accounting treatment and non recognition of Land and Buildings and recognition of the LGPS pension deficit. Further details of these two entries are shown in the respective notes. Working capital and net current assets continues to serve the Trust's budgets and plans and is unaffected by the two accounting entries mentioned earlier.

1.3 Transfer of existing academies into the academy trust

The transfer of academies from other academy trusts to this academy trust involved the transfer of identifiable assets and liabilities and the operation of those academies for £nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on transfer from St Francis of Assisi Academies Trust and St Thomas of Canterbury Catholic Academies Trust to the academy trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in 'Charitable activities – transfer of existing academies into the trust' in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transaction are set out in note 28.

1.4 Income

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

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

Grants

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

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

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

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

Donations

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

Other income

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

Donated goods, facilities and services

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

Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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 are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

1.6 Tangible fixed assets and depreciation

Assets costing £5,000 (2019: £500) or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction (until they are brought into use), at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Leasehold improvements	2% of cost
Assets under construction	No depreciation
Computer equipment	25% and 33.3% of cost
Fixtures, fittings & equipment	10% to 20% of cost
Plant and machinery	20% of cost

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.

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

1.7 Liabilities

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

1.8 Leased assets

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

1.9 Financial instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.10 Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.11 Pensions benefits

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

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

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

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

1.12 Fund accounting

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

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

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

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, 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 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

3 Donations and capital grants

	Unrestricted funds £'000s	Restricted funds £'000s	Total 2020 £'000s	Total 2019 £'000s
Capital grants	-	343	343	77
Other donations	-	11	11	172
	<u>-</u>	<u>354</u>	<u>354</u>	<u>249</u>
	<u>-</u>	<u>354</u>	<u>354</u>	<u>249</u>

The income from donations and capital grants was £354,000 (2019: £249,000) of which £11,000 was restricted (2019: £172,000) and £343,000 was restricted fixed assets (2019: £77,000).

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

4 Funding for the academy trust's educational operations

	Unrestricted funds £'000s	Restricted funds £'000s	Total 2020 £'000s	Total 2019 £'000s
DfE / ESFA grants				
General annual grant (GAG)	-	13,582	13,582	4,200
DfE teaching grants	-	78	78	-
Other DfE group grants	-	1,746	1,746	478
	-	15,406	15,406	4,678
Other government grants				
Local authority grants	-	698	698	87
Special educational projects	-	72	72	-
	-	770	770	87
Exceptional government funding				
Coronavirus job retention scheme grant	-	66	66	-
Coronavirus exceptional support	-	9	9	-
	-	75	75	-
Other funding				
Teaching school income	-	38	38	-
Other incoming resources	-	328	328	46
	-	366	366	46
Total funding	-	16,617	16,617	4,811

The income from funding for educational operations was £16,617,000 (2019: £4,811,000) of which £16,617,000 was restricted (2019: £4,811,000).

The academy trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "exceptional government funding".

- The funding received for coronavirus exceptional support covers £8,817 of deep cleaning costs, free school meal costs, signage and staff cover costs. These costs are included in notes 7 and 9 below as appropriate.

- The academy trust furloughed some of its catering, breakfast club, and after school club staff (as, under the relevant guidance, these were deemed as being funded from private sources) under the government's CJRS. The funding received of £66,090 relates to staff costs in respect of staff which are included within note 10 below as appropriate.

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

5 Other trading activities

	Unrestricted funds £'000s	Restricted funds £'000s	Total 2020 £'000s	Total 2019 £'000s
Hire of facilities	65	-	65	53
Catering income	2	-	2	-
Other income	15	-	15	(3)
	<u>82</u>	<u>-</u>	<u>82</u>	<u>50</u>

The income from other trading activities was £82,000 (2019: £50,000) of which £82,000 was unrestricted (2019: £50,000).

6 Investment income

	Unrestricted funds £'000s	Restricted funds £'000s	Total 2020 £'000s	Total 2019 £'000s
Short term deposits	<u>2</u>	<u>-</u>	<u>2</u>	<u>1</u>

The income from funding for investment income was £2,000 (2019: £1,000) of which £2,000 was unrestricted (2019: £1,000).

7 Expenditure

	Staff costs £'000s	Non-pay expenditure Premises £'000s	Other £'000s	Total 2020 £'000s	Total 2019 £'000s
Expenditure on raising funds					
- Direct costs	-	-	-	-	46
Academy's educational operations					
- Direct costs	10,900	236	879	12,015	3,455
- Allocated support costs	3,028	1,814	1,209	6,051	1,981
Teaching school					
- Direct costs	38	-	43	81	-
- Allocated support costs	7	-	2	9	-
	<u>13,973</u>	<u>2,050</u>	<u>2,133</u>	<u>18,156</u>	<u>5,482</u>

The expenditure on raising funds was £- (2019: £46,000) of which £- was restricted (2019: £46,000).

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

7 Expenditure (Continued)

Net income/(expenditure) for the year includes:	2020 £'000s	2019 £'000s
Fees payable to auditor for:		
- Audit	17	10
- Other services	8	2
Operating lease rentals	19	2
Depreciation of tangible fixed assets	236	250
Net interest on defined benefit pension liability	174	49
	<u> </u>	<u> </u>

8 Central services

The academy trust has provided the following central services to its academies during the year:

- Central staff
- Accountancy
- Training
- School improvement and operational support

The academy trust charges for these services on the following basis:

- 5% of GAG funding

The amounts charged during the year were as follows:	2020 £'000s	2019 £'000s
Our Lady of Walsingham Catholic Primary School	78	74
St Brendan's Catholic Primary School	58	58
St Edward's Catholic Primary School	39	39
St Thomas More Catholic Primary School	39	38
St Gregory's Catholic Primary	39	-
St Mary's Catholic Primary School	25	-
The Good Shepherd Catholic Primary School	37	-
St John Rigby Catholic Primary School	44	-
St Joseph's & St Gregory's Catholic Primary School	60	-
Thomas Becket Catholic School	107	-
St Thomas More Catholic Secondary School	146	-
	<u> </u>	<u> </u>
	672	209
	<u> </u>	<u> </u>

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

9 Charitable activities

	2020 £'000s	2019 £'000s
All from restricted funds:		
Direct costs		
Educational operations	12,015	3,455
Teaching school	81	-
Support costs		
Educational operations	6,051	1,981
Teaching school	9	-
	<u>18,156</u>	<u>5,436</u>

The expenditure on charitable activities was £18,066,000 (2019: £5,436,000) of which £17,830,000 was restricted (2019: £5,152,000) and £236,000 was restricted fixed assets (2019: £284,000).

The expenditure on teaching school was £90,000 (2019: £-) of which £90,000 was restricted (2019: £-).

	Teaching school £'000s	Educational operations £'000s	Total 2020 £'000s	Total 2019 £'000s
Analysis of support costs				
Support staff costs	7	3,028	3,035	837
Depreciation	-	-	-	250
Technology costs	-	254	254	22
Premises costs	-	1,814	1,814	260
Legal costs	-	55	55	-
Other support costs	-	847	847	600
Governance costs	2	53	55	12
	<u>9</u>	<u>6,051</u>	<u>6,060</u>	<u>1,981</u>

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

10 Staff

Staff costs

Staff costs during the year were:

	2020 £'000s	2019 £'000s
Wages and salaries	9,798	2,960
Social security costs	871	243
Pension costs	2,969	694
Staff costs - employees	13,638	3,897
Agency staff costs	313	168
Staff restructuring costs	22	7
Total staff expenditure	13,973	4,072

Staff restructuring costs comprise:

Redundancy payments	-	1
Severance payments	20	5
Other restructuring costs	2	1
	22	7

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £20,000 (2019: £5,230). Individually the payments were £15,000 and £5,000. The trust has made claims to recover these costs from its insurance providers.

Staff numbers

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

	2020 Number	2019 Number
Teachers	265	51
Administration and support	491	94
Management	7	7
	763	152

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

10 Staff

(Continued)

Higher paid staff

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

	2020 Number	2019 Number
£60,001 - £70,000	3	1
£70,001 - £80,000	2	1
	=====	=====

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £578,736 (2019: £500,510).

11 Trustees' remuneration and expenses

No trustees have been paid remuneration or have received other benefits from an employment with the academy trust during the year.

During the previous year one or more of the trustees was paid remuneration or received other benefits from an employment with the academy trust. The headteacher and other staff trustees only received remuneration in respect of services they provided undertaking the roles of headteacher and staff members under their contracts of employment, and not in respect of their services as trustees.

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

N Vaughan (School Improvement Director to 31 August 2019):

- Remuneration 2019: £70,000 - £75,000
- Employer's pension contributions 2019: £10,000 - £15,000

M Hayes (staff - Remuneration to date of resignation as a trustee on 28 February 2019):

- Remuneration 2019: £25,000 - £30,000
- Employer's pension contributions 2019: £Nil - £5,000

During the year no expenses were reimbursed or paid directly to any trustee. During the previous year, travel and subsistence payments and other expenditure totalling £35 were reimbursed or paid directly to 1 trustee.

Other related party transactions involving the trustees are set out within the related parties note.

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

12 Insurance for trustees and officers

The academy trust has opted into the Department for Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

During the year ended 31 August 2019, in accordance with normal commercial practice, the academy trust purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provided cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2019 was £255. The cost of this insurance was included in the total insurance cost.

13 Tangible fixed assets

	Leasehold improvements	Assets under construction	Computer equipment	Fixtures, fittings & equipment	Plant and machinery	Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Cost						
At 1 September 2019	81	52	425	591	399	1,548
Transfer	465	(465)	-	-	-	-
Transfer of academies joining the academy trust	-	-	296	470	-	766
Additions	67	413	81	24	1	586
	<u>613</u>	<u>-</u>	<u>802</u>	<u>1,085</u>	<u>400</u>	<u>2,900</u>
Depreciation						
At 1 September 2019	12	-	384	458	349	1,203
Transfer of academies joining the academy trust	-	-	221	198	-	419
Charge for the year	16	-	55	126	39	236
	<u>28</u>	<u>-</u>	<u>660</u>	<u>782</u>	<u>388</u>	<u>1,858</u>
Net book value						
At 31 August 2020	<u>585</u>	<u>-</u>	<u>142</u>	<u>303</u>	<u>12</u>	<u>1,042</u>
At 31 August 2019	<u>69</u>	<u>52</u>	<u>41</u>	<u>133</u>	<u>50</u>	<u>345</u>

The net book value of land and buildings comprises:

	2020 £'000s	2019 £'000s
Long leaseholds (over 50 years)	<u>585</u>	<u>69</u>

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

13 Tangible fixed assets

(Continued)

Finance leases and hire purchase contracts

The Academy Trust occupies land (including buildings) which are owned by The Northampton Roman Catholic Diocesan Trust. The Northampton Roman Catholic Diocesan Trust are the providers of the land (and buildings) on the same basis as when the academies were maintained schools. The Academy Trust occupies the land (and buildings) under a mere licence. This continuing permission of The Northampton Roman Catholic Diocesan Trust is pursuant to, and subject to, The Northampton Roman Catholic Diocesan Trust's charitable objects, and is part of the Catholic Church's contribution since 1847 to provide State funded education in partnership with the State. The licence delegates aspect of the management of the land (and buildings) to the Academy Trust for the time being, but does not vest any rights over the land in the Academy Trust. The Northampton Roman Catholic Diocesan Trust have given an undertaking to the Secretary of State that they will not give the Academy Trust less than two years notice to terminate the occupation of the land (including buildings). Having considered the factual matrix under which the Academy Trust is occupying the land (and buildings) the Directors have concluded that the value of the land and buildings occupied by the Academy Trust will not be recognised on the balance sheet of the Academy Trust.

14 Debtors

	2020 £'000s	2019 £'000s
Trade debtors	14	7
VAT recoverable	106	68
Other debtors	-	1
Prepayments and accrued income	969	130
	<u>1,089</u>	<u>206</u>

Prepayments and accrued income at 31 August 2020 include £283,000 (2019: £Nil) in respect of capital grants due to the academy trust.

15 Creditors: amounts falling due within one year

	2020 £'000s	2019 £'000s
Trade creditors	651	104
Other taxation and social security	164	61
Other creditors	232	3
Accruals and deferred income	1,134	210
	<u>2,181</u>	<u>378</u>

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

16	Deferred income	2020 £'000s	2019 £'000s
	Deferred income is included within:		
	Creditors due within one year	600	89
		=====	=====
	Deferred income at 1 September 2019	89	93
	Released from previous years	(89)	(93)
	Resources deferred in the year	600	89
		=====	=====
	Deferred income at 31 August 2020	600	89
		=====	=====

At 31 August 2020 the academy trust was holding funds received in advance relating to UIFSM grants of £203,000 (2019: £89,000), GAG monies awaiting claw-back of £204,000 (2019: £Nil), capital grant monies not spent awaiting claw-back of £137,000 (2019: £Nil), amounts awaiting reimbursement to local authorities of £35,000 (2019: £Nil) and other income for future academic periods of £21,000 (2019: £Nil).

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

17 Funds

	Balance at 1 September 2019 £'000s	Income £'000s	Expenditure £'000s	Gains, losses and transfers £'000s	Balance at 31 August 2020 £'000s
Restricted general funds					
General Annual Grant (GAG)	-	13,582	(13,988)	406	-
Other DfE / ESFA grants	73	1,746	(1,819)	-	-
Other government grants	1	845	(846)	-	-
Teaching school	-	116	18	-	134
Other restricted funds	834	339	923	-	2,096
Pension reserve	(2,390)	-	(8,162)	(2,448)	(13,000)
	<u>(1,482)</u>	<u>16,628</u>	<u>(23,874)</u>	<u>(2,042)</u>	<u>(10,770)</u>
Restricted fixed asset funds					
Transfer on conversion	263	-	261	-	524
DfE group capital grants	81	263	698	(310)	732
Capital expenditure from GAG	32	-	(5)	-	27
Other capital grants	40	80	134	(96)	158
	<u>416</u>	<u>343</u>	<u>1,088</u>	<u>(406)</u>	<u>1,441</u>
Total restricted funds	<u>(1,066)</u>	<u>16,971</u>	<u>(22,786)</u>	<u>(2,448)</u>	<u>(9,329)</u>
Unrestricted funds					
General funds	<u>143</u>	<u>84</u>	<u>2,028</u>	<u>-</u>	<u>2,255</u>
Total funds	<u>(923)</u>	<u>17,055</u>	<u>(20,758)</u>	<u>(2,448)</u>	<u>(7,074)</u>

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

Restricted General Funds represent unspent General Annual Grant (GAG), which must be used for the normal recurring costs of the Academy Trust together with other restricted general funds. Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it should carry forward at 31 August 2020.

Restricted Fixed Asset Funds represent resources which have been applied to specific capital purposes imposed by the funder together with cash resources still to be expended. During the year £406,000 of restricted fixed asset funds were transferred to restricted general funds in respect of capital grants spent on revenue projects net of own funds used towards capital projects.

Restricted Pension Reserve Funds represent the Academy Trust's share of the assets and liabilities of the Local Government Pension Scheme.

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

17 Funds

(Continued)

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

	Balance at 1 September 2018 £'000s	Income £'000s	Expenditure £'000s	Gains, losses and transfers £'000s	Balance at 31 August 2019 £'000s
Restricted general funds					
General Annual Grant (GAG)	-	4,200	(4,188)	(12)	-
Other DfE / ESFA grants	17	478	(422)	-	73
Other government grants	10	87	(96)	-	1
Other restricted funds	910	218	(290)	(4)	834
Pension reserve	(1,636)	-	(202)	(552)	(2,390)
	<u>(699)</u>	<u>4,983</u>	<u>(5,198)</u>	<u>(568)</u>	<u>(1,482)</u>
Restricted fixed asset funds					
Transfer on conversion	408	-	(145)	-	263
DfE group capital grants	102	77	(98)	-	81
Capital expenditure from GAG	38	-	(18)	12	32
Other capital grants	2	-	(23)	61	40
	<u>550</u>	<u>77</u>	<u>(284)</u>	<u>73</u>	<u>416</u>
Total restricted funds	<u>(149)</u>	<u>5,060</u>	<u>(5,482)</u>	<u>(495)</u>	<u>(1,066)</u>
Unrestricted funds					
General funds	<u>149</u>	<u>51</u>	<u>-</u>	<u>(57)</u>	<u>143</u>
Total funds	<u>-</u>	<u>5,111</u>	<u>(5,482)</u>	<u>(552)</u>	<u>(923)</u>

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

17 Funds

(Continued)

Total funds analysis by academy

	2020 £'000s	2019 £'000s
Fund balances at 31 August 2020 were allocated as follows:		
Our Lady of Walsingham Catholic Primary School	357	646
St Brendan's Catholic Primary School	47	73
St Edward's Catholic Primary School	163	180
St Thomas More Catholic Primary School	70	98
St Gregory's Catholic Primary	204	
St Mary's Catholic Primary School	172	
The Good Shepherd Catholic Primary School	320	
St John Rigby Catholic Primary School	223	
St Joseph's & St Gregory's Catholic Primary School	846	
Thomas Becket Catholic School	699	
St Thomas More Catholic Secondary School	1,104	
Central services	280	54
Total before fixed assets fund and pension reserve	4,485	1,051
Restricted fixed asset fund	1,441	416
Pension reserve	(13,000)	(2,390)
Total funds	(7,074)	(923)

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

17 Funds

(Continued)

Total cost analysis by academy

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

	Teaching and educational support staff £'000s	Other support staff costs £'000s	Educational supplies £'000s	Other costs excluding depreciation £'000s	Total £'000s
Our Lady of Walsingham Catholic Primary School	1,330	257	31	297	1,915
St Brendan's Catholic Primary School	965	181	45	334	1,525
St Edward's Catholic Primary School	642	151	12	168	973
St Thomas More Catholic Primary School	661	169	32	183	1,045
St Gregory's Catholic Primary	578	193	12	169	952
St Mary's Catholic Primary School	362	101	18	118	599
The Good Shepherd Catholic Primary School	575	145	25	181	926
St John Rigby Catholic Primary School	690	187	11	196	1,084
St Joseph's & St Gregory's Catholic Primary School	900	251	13	146	1,310
Thomas Becket Catholic School	1,399	396	36	620	2,451
St Thomas More Catholic Secondary School	2,572	306	35	995	3,908
Central services	264	698	-	270	1,232
	<u>10,938</u>	<u>3,035</u>	<u>270</u>	<u>3,677</u>	<u>17,920</u>

18 Analysis of net assets between funds

	Unrestricted Funds £'000s	Restricted funds: General £'000s	Fixed asset £'000s	Total Funds £'000s
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	-	-	1,042	1,042
Current assets	2,255	4,319	491	7,065
Creditors falling due within one year	-	(2,089)	(92)	(2,181)
Defined benefit pension liability	-	(13,000)	-	(13,000)
Total net assets	<u>2,255</u>	<u>(10,770)</u>	<u>1,441</u>	<u>(7,074)</u>

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

18 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £'000s	Restricted funds: General £'000s	Fixed asset £'000s	Total Funds £'000s
Fund balances at 31 August 2019 are represented by:				
Tangible fixed assets	-	-	345	345
Current assets	143	1,286	71	1,500
Creditors falling due within one year	-	(378)	-	(378)
Defined benefit pension liability	-	(2,390)	-	(2,390)
Total net assets	143	(1,482)	416	(923)

19 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 31 March 2019.

Contributions amounting to £159,000 were payable to the schemes at 31 August 2020 (2019: £Nil) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019.

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

19 Pension and similar obligations

(Continued)

The key elements of the valuation and subsequent consultation are:

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

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to the TPS in the period amounted to £1,441,000 (2019: £303,000).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 20.6 to 27.6% for employers and 5.5 to 12.5% for employees.

As described in note the LGPS obligation relates to the employees of the academy trust, including the employees transferred from other academy trusts during the period and new employees who joined the scheme in the period. The obligation in respect of employees who transferred from other academy trusts in the period represents their cumulative service at both the predecessor academy trusts and the academy trust at the balance sheet date.

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

Total contributions made	2020 £'000s	2019 £'000s
Employer's contributions	1,006	235
Employees' contributions	251	56
Total contributions	1,257	291

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

19 Pension and similar obligations (Continued)

Principal actuarial assumptions	2020 %	2019 %
Rate of increase in salaries	2.8	2.6
Rate of increase for pensions in payment/inflation	2.2	2.3
Discount rate for scheme liabilities	1.7	1.8
Inflation assumption (CPI)	2.2	2.3
Commutation of pensions to lump sums - Pre April 2008 service	50	50
Commutation of pensions to lump sums - Post April 2008 service	75	75

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

	2020 Years	2019 Years
Retiring today		
- Males	21.6	21.2
- Females	23.8	23.3
Retiring in 20 years		
- Males	22.4	22.3
- Females	25.2	24.7

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

	2020 £'000s	2019 £'000s
Discount rate + 0.1%	(605)	(102)
Discount rate - 0.1%	605	102
Mortality assumption + 1 year	811 to 1078	123 to 205
Mortality assumption - 1 year	(811) to (1,078)	(123) to (205)
CPI rate + 0.1%	553	92
CPI rate - 0.1%	(553)	(92)

The academy trust's share of the assets in the scheme	2020 Fair value £'000s	2019 Fair value £'000s
Equities	8,614	1,163
Bonds	2,021	275
Cash	591	32
Property	1,333	145
Total market value of assets	12,559	1,615

The actual return on scheme assets was £1,512,000 (2019: £70,000).

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

19 Pension and similar obligations	(Continued)	
Amount recognised in the Statement of Financial Activities	2020 £'000s	2019 £'000s
Current service cost	1,862	374
Past service cost	-	14
Interest income	(196)	(39)
Interest cost	370	88
Administration expenses	4	-
Total operating charge	2,040	437
Changes in the present value of defined benefit obligations	2020 £'000s	2019 £'000s
At 1 September 2019	4,005	2,923
Transferred in on existing academies joining the academy trust	15,595	-
Current service cost	1,862	374
Interest cost	370	88
Employee contributions	251	56
Actuarial loss	3,764	583
Benefits paid	(288)	(33)
Past service cost	-	14
At 31 August 2020	25,559	4,005
Changes in the fair value of the academy trust's share of scheme assets	2020 £'000s	2019 £'000s
At 1 September 2019	1,615	1,287
Transferred in on existing academies joining the academy trust	8,463	-
Interest income	196	39
Actuarial gain	1,316	31
Employer contributions	1,006	235
Employee contributions	251	56
Benefits paid	(288)	(33)
At 31 August 2020	12,559	1,615

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

20 Reconciliation of net expenditure to net cash flow from operating activities

	2020 £'000s	2019 £'000s
Net expenditure for the reporting period (as per the statement of financial activities)	(3,703)	(371)
Adjusted for:		
Net deficit on transfer of academies into the trust	2,602	-
Capital grants from DfE and other capital income	(343)	(77)
Investment income receivable	(2)	(1)
Defined benefit pension costs less contributions payable	856	153
Defined benefit pension scheme finance cost	174	49
Depreciation of tangible fixed assets	236	250
(Increase) in debtors	(726)	(29)
Increase/(decrease) in creditors	1,787	(3)
Stocks, debtors and creditors transferred on academies joining the trust	(279)	-
Net cash provided by/(used in) operating activities	602	(29)

21 Analysis of changes in net funds

	1 September 2019 £'000s	Cash flows £'000s	31 August 2020 £'000s
Cash	1,294	4,682	5,976

22 Contingent liabilities

During the period of the Funding Agreement, in the event of the sale or disposal by other means, of any asset for which a Government capital grant was received, the Academy Trust is required, either to re-invest the proceeds, or to repay to the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Academy Trust serving notice, the Academy Trust shall repay to the Secretary of State sums determined by reference to:

- (a) the value at that time of the Academy Trust site and premises and other assets held for the purpose of the Academy Trust; and
- (b) the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

23 Commitments under operating leases

At 31 August 2020 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2020 £'000s	2019 £'000s
Amounts due within one year	23	2
Amounts due in two and five years	10	1
	<u>33</u>	<u>3</u>

24 Capital commitments

	2020 £'000s	2019 £'000s
Expenditure contracted for but not provided in the accounts	-	395
	<u>-</u>	<u>395</u>

25 Related party transactions

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH and in accordance with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period.

1. During the year the trust purchased services at a cost of £23,090 (2019: £6,725) from Northampton Religious Education Service (NORES), an organisation controlled by the Diocesan Bishop, who also appoints the directors of the trust through the Duns Scotus Trust. Creditors at 31 August 2020 include £6,920 owing to NORES (2019: £Nil). In accordance with the Academies Financial Handbook these transactions are accepted as being 'at cost' and on an arms length basis.
2. During the year the trust purchased services at a cost of £44,257 (2019: £Nil) from The Northampton Roman Catholic Diocesan Trust, an organisation in which the Diocesan Bishop (who also appoints the directors of the trust through the Duns Scotus Trust) serves as a trustee. Creditors at 31 August 2020 include £100,543 (2019: £Nil) owing to The Northampton Roman Catholic Diocesan Trust.
3. The Northampton Roman Catholic Diocesan Trust also made a capital donation of £80,000 (2019: £Nil) to the trust during the year. Debtors at 31 August 2020 include £80,000 (2019: £Nil) owing to the trust by The Northampton Roman Catholic Diocesan Trust.

In entering into these transactions, the academy trust has complied with the requirements of the Academies Financial Handbook 2019.

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

26 Members' liability

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

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

27 Teaching school trading account

	2020		2019	
	£'000s	£'000s	£'000s	£'000s
Direct income				
Government grants		78		-
Other income		38		-
		<u>116</u>		<u>-</u>
Total income		116		-
Direct costs				
Direct staff costs	38		-	
Other direct costs	43		-	
	<u>81</u>		<u>-</u>	
Other costs				
Support staff costs	7		-	
Share of governance costs	2		-	
	<u>9</u>		<u>-</u>	
Total operating costs		(90)		-
Surplus from teaching school		26		-
Teaching school balances transferred into the academy trust		108		-
Teaching school balances at 31 August 2020		<u>134</u>		<u>-</u>

OUR LADY IMMACULATE CATHOLIC ACADEMIES TRUST LTD (FORMERLY ST LUKE ACADEMIES TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

28 Transfer of existing academies into the academy trust

Academies formerly part of St Francis of Assisi Academies Trust

Comprising St John Rigby Catholic Primary School, St Joseph's & St Gregory's Catholic Primary School and St Thomas More Catholic Secondary School.

	Transfer in recognised £'000s
Net liabilities acquired	
Other tangible fixed assets	16
Debtors	679
Creditors	(850)
Defined benefit pension scheme liability	(3,267)
Cash and cash equivalents	3,081
Total net liabilities	(341)

There were no fair value adjustments required to the values reported by the transferring trust.

Academies formerly part of St Thomas of Canterbury Catholic Academies Trust.

Comprising St Mary's Catholic Primary School, St Gregory's Catholic Primary School, The Good Shepherd Catholic Primary School and Thomas Becket Catholic School.

	Transfer in recognised £'000s
Net liabilities acquired	
Other tangible fixed assets	331
Debtors	304
Creditors	(410)
Defined benefit pension scheme liability	(3,865)
Cash and cash equivalents	1,379
Total net liabilities	(2,261)

There were no fair value adjustments required to the values reported by the transferring trust.