

# Mater Ecclesiae Catholic Multi-Academy Trust

(A Company Limited by Guarantee)

**Trustees' Report and Financial Statements**

**For the year ended 31 August 2023**

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## Reference and Administrative Details

### For the Year Ended 31 August 2023

<b>Members</b>	Father Michael Docherty The Right Reverend Paul Swarbrick Reverend Canon Peter A Hart
<b>Directors (who are also the Trustees)</b>	R Mason (Chair) A J Towers D Callagher J Kennedy J Jones K Dennis R Wilkinson (Appointed 13 December 2022) R Deed A J Godden (Resigned 15 November 2022)
<b>Senior Leadership Team</b>	P Duffy (Chief Executive Officer) (Appointed 1 September 2023) H Hickman (Chief Finance Officer) (Appointed 19 September 2023) M Barlow (Chief Executive Officer) (Resigned 31 August 2023) A L Fishwick (Chief Finance Officer) (Appointed 1 May 2023, Resigned 18 September 2023) P W Darwen (Chief Finance Officer) (Appointed 1 January 2023, Resigned 30 April 2023) N Kippax (Chief Finance Officer) (Resigned 31 December 2022)
<b>Company name</b>	Mater Ecclesiae Catholic Multi-Academy Trust
<b>Principal and Registered Office</b>	The Education Centre Balmoral Road Lancaster LA1 3BT
<b>Company Registration Number</b>	13882215 (England and Wales)
<b>Independent Auditor</b>	Murray Smith LLP Chartered Accountants Statutory Auditors Darland House 44 Winnington Hill Northwich Cheshire, CW8 1AU
<b>Bankers</b>	Lloyds Bank PLC 94 Fishergate Preston, PR1 2JB
<b>Solicitors</b>	Winkworth Sherwood Minerva House 5 Montague Close London, SE1 9BB

## **Trustees' Report**

### **For the Year Ended 31 August 2023**

The Directors' present their annual report together with the accounts and auditor's report of the charitable company for the year to 31 August 2023. The annual report serves the purposes of both a Trustee's report and a Directors' report under company law.

The multi-Academy Trust was established on 1 December 2022 following approval from the Secretary of State for Education.

The Trust operated with seven academies during the financial year 2022-23, for pupils aged 3 to 16 serving the Preston catchment area. There were 1,785, excluding nursery children, on roll in the January 2023 school census.

#### **Structure, governance and management**

##### Constitution

Mater Ecclesiae Catholic Multi Academy Trust ("The Trust") is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Trust.

The charitable company is known as Mater Ecclesiae Catholic Multi Academy Trust.

The Directors are the trustees of Mater Ecclesiae Catholic Multi Academy Trust and are also the directors of the charitable company for the purposes of company law. Details of the Directors who served during the year, and to date these accounts are approved, are included in the Reference and Administrative details on page 1.

##### Members' liability

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

##### Directors' indemnities

The trust has purchased indemnity insurance to protect Directors and officers from claims arising in connection with academy business. The insurance provides cover of up to £10,000,000 on any one claim.

##### Method of recruitment and appointment or election of Directors

The Directors are appointed by the following:

Foundation Directors	Appointed by the Diocesan Bishop
Other Directors	Appointed by majority decision of the Directors

##### Policies and procedures adopted for the induction and training of Directors

All Directors are provided with copies of the Articles of Association, the Governors Handbook, the Scheme of delegation and other information on the working practices of the Board on appointment.

## **Trustees' Report**

### **For the Year Ended 31 August 2023**

Induction training is provided by a National Leader of Governance. Directors undertake a self-evaluation of skills and expertise which is used to inform specific training and development.

#### **Organisational structure**

The Trust was formed on the 1 December 2022 as part of a coherent vision to action together in a deep partnership, with a single Board, a Chief Executive Officer and 7 local governing bodies. All seven of the founding schools were convertors. The Trust is open to other Catholic schools joining as determined and agreed by the Lancaster RC Diocese Trustees.

The Trust is governed by its Board of Directors, whose members are Directors of the charitable company for the purposes of the Companies Act 2006 and Trustees for the purposes of charity legislation. The structure consists of four levels:

- The Board of Directors;
  - Finance, Audit, Risks and Resources committee (FARR)
  - Ethos, Intervention and Standards committee
- The Chief Executive Officer and the Central Team;
- The Head Teachers;
- The Local Governing Bodies.

The Trust's Scheme of Delegation sets out the responsibilities of the Board and the Local Governing Bodies. The Board of Directors is responsible for setting general policies, adopting an annual plan and budget, monitoring performance using results and making major decisions about the direction of the Trust, capital expenditure and appointing senior staff. Certain elements of these responsibilities are delegated to the sub committees who make recommendations to the Board of Directors.

The Chief Executive Officer is also the Accounting Officer and has responsibility for managing the academies at an executive level, implementing the policies laid down by the Directors and reporting back to them with the support of the Senior Leadership Team comprising the Head Teachers in the individual academies.

The Board of Directors of the Multi Academy Trust meets 6 times per year to receive reports from its sub-committees and manage its strategic objectives.

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

The Directors consider the Board of Directors, who are the Trust's Trustees, the Chief Executive Officer, the Headteachers and the Chief Finance Officer comprise the key management personnel of the company in charge of directing and controlling, running and operating the Trust on a day to day basis.

## Trustees' Report

### For the Year Ended 31 August 2023

All Directors give their time freely. Details of Directors' expenses and related party transactions are disclosed in notes 10 and 27 to the accounts. The pay of the Chief Executive Officer, Headteachers and the Chief Finance Officer is reviewed annually and normally increased in line with the recommendations of the School Teachers' Review Body and the National Joint Council for Local Government Services respectively.

#### Trade union facility time

##### *Relevant union officials*

Number of employees who were relevant union officials during the relevant period	1
Full-time equivalent employee number	0.3

##### *Percentage of time spent on facility time*

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

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

Total cost of facility time	£1,767
Total pay bill	£6,664,068
Percentage of the total pay bill spent on facility time	0.03%

##### *Paid trade union activities*

Time spent on paid trade union activities as a percentage of total paid facility time hours	100%
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#### Engagement with employees

As a Catholic Trust the Board respects the dignity of all people. It ensures the equality of opportunity for all employees including those who are disabled during appointment, training and development and promotion processes, making reasonable adjustments as required.

To enhance consultation with employees, the Trust works closely with a Joint Negotiating Committee with all recognised trade unions. The CEO is responsible for convening this meeting termly and agreeing agenda items. This builds on well established processes to provide information to and consult with employees on matters affecting them.

#### Related parties and other connected charities and organisations

The Trust works in partnership with the Lancaster Diocese, the Local Authority, the Catholic Teaching Alliance (North), clusters of schools in areas around the Local Authority as well as links with other Trusts and community links.

## **Trustees' Report**

### **For the Year Ended 31 August 2023**

#### Risk Management

The Chief Executive Officer and Chief Finance Officer review the Risk Register on a termly basis. The Risk Register identifies the potential strategic, operational and financial risks and scores and prioritises the risks in terms of their potential operational impact.

The Risk Register is presented at least once per year to the Director's FARR committee for review and then to the Board of Directors.

#### **Objectives and activities**

##### Objects and aims

The objects of Mater Ecclesiae Catholic Multi Academy Trust are to advance the Catholic religion in the Diocese through the maintaining, managing and developing of effective and thriving Catholic schools.

The Trust's mission is to be 'One Family in Christ', serving the family of Catholic schools in the Preston area, under the patronage of Mary the Mother of the church - Mater Ecclesiae.

Our vision is to work together to meet the needs of all and strive for excellence. Within our family, members of our community are loved and valued as unique individuals made in the image of God. They are respected and cherished and given every opportunity to grow together.

As 'One Family in Christ' we embrace, celebrate and inspire our diverse communities to achieve their full potential.

##### Objectives, strategies and activities

Mater Ecclesiae aims to:

#### **1. Live as 'One Family in Christ' serving others**

- By nurturing the Catholic faith of our communities, taking inspiration and desire to serve from Mary, Mother of the Church and her son Jesus Christ – the Servant King
- By developing and implementing a professional development and formation programme for all staff across the Trust
- By further developing and implementing wellbeing strategies for staff and pupils across the Trust

#### **2. Strive for excellence**

- By developing and implementing a curriculum that provides access, ambition and challenge for all pupils, from EYFS to Key Stage 4
- By harnessing, celebrating and sharing the most effective and inspirational pedagogical practices across our Trust family of schools
- Improving outcomes and opportunities for all pupils, particularly those who are disadvantaged

## **Trustees' Report**

### **For the Year Ended 31 August 2023**

#### **3. Develop community and partnership**

- By actively listening and responding to the voices and needs in our diverse communities, recognising that we all are made in the image of God.
- By further developing a trust-wide understanding of our Trust ethos for all stakeholders
- By develop a Trust growth and development strategy (incorporating the Diocesan strategy)

The Trust works in partnership as 'One Family in Christ' whilst maintaining and celebrating the uniqueness of each individual school and the community it serves. We work tirelessly to shape and develop our 'Purpose', 'People' and 'Place' so that all Mater Ecclesiae children go on to lead happy, ambitious and fulfilled lives.

#### Public benefit

The Directors are aware of the Charity Commission Guidance on providing public benefit and have had due regard to this in exercising their duties during the year. The main public benefit delivered by the Trust is the provision of a high quality of education to its pupils. This has been evidenced through the results achieved and feedback from external assessments.

#### **Strategic report**

##### **Achievements and performance**

This year's attainment and performance profile reflects the hard work and commitment of Mater Ecclesiae staff and pupils. They also reflect the challenges faced by our diverse communities and the children within them whom we serve and support.

Year 1 phonics screening check results were on or above the national average in 4 out of 7 schools. The same number of schools achieved on or above the national average for reading and mathematics, with 5 out of 7 schools achieving above the national average in writing.

At Key Stage 2, 5 out of 7 schools achieved above the national average for the percentage of pupils achieving the expected standard in reading, writing and mathematics combined. The same number of schools achieved above the national average in maths, whilst 4 out of 7 schools exceeded the national average in writing and 3 out of 7 schools achieved this in reading.

During the academic year, St Clare's Catholic Primary School was graded as 'outstanding' in all aspects of its Section 48 Denominational Inspection.

## Trustees' Report

### For the Year Ended 31 August 2023

#### Key performance indicators

	EYFS	Phonics	
School name	GLD (%)	Y1 Phonics (%)	Y2 Phonics (%)
Our Lady & St. Edward's	80	80	60
St. Augustine's	71	76	45
St. Bernard's	73	86	25
St. Clare's	62	100	
St. Joseph's	49	75	
St. Teresa's	56	79	
The Blessed Sacrament	65	69	80

	KS1					
	Reading		Writing		Maths	
School name	EXS+ (%)	GD (%)	EXS+ (%)	GD (%)	EXS+ (%)	GD (%)
Our Lady & St. Edward's	77	23	70	10	83	20
St. Augustine's	72	18	72	3	82	13
St. Bernard's	67	17	63	0	87	7
St. Clare's	94	31	86	14	91	23
St. Joseph's	53	0	66	0	60	0
St. Teresa's	54	0	54	0	57	0
The Blessed Sacrament	59	0	46	0	53	0

	KS2									
	Reading		Writing		Maths		GPS		RWM Combined	
School name	EXS+ (%)	HS (%)	EXS+ (%)	GD (%)	EXS+ (%)	HS (%)	EXS+ (%)	HS (%)	EXS+ (%)	HS/GD
Our Lady & St. Edward's	84	41	84	19	88	44	91	50	75	16
St. Augustine's	71	29	86	14	77	31	66	17	69	6
St. Bernard's	81	26	84	3	90	29	90	32	71	3
St. Clare's	97	54	87	30	100	59	100	54	83	
St. Joseph's	66	16	68	2	81	16	73		61	
St. Teresa's	45	3	48	6	38	0	48	6	23	0
The Blessed Sacrament	51	0	64	0	63	0	50	0	37	0

#### Key

EYFS	Early Years Foundation Stage
GLD	Good Level of Development
ELGs	Early Learning Goals
EXS	Expected Standard
GD	Greater Depth
HS	Higher Standard
GPS	Grammar, Punctuation and Spelling
RWM	Reading, Writing and Mathematics

## **Trustees' Report**

### **For the Year Ended 31 August 2023**

#### **Saint Bernard's Catholic Primary School**

All of the results are above national standards and significantly so in some areas, particularly Year 6, and Maths across the school. The existing gaps between boys and girls that widened during the pandemic are being worked on.

Catholic life is integral, providing support to pupils and their families, underpinning curriculum and the wide range of extra- curricular activities across the school.

Future focus will include securing excellent learning and assessment in Foundation subjects, exploring the impact and effectiveness of a variety of interventions and the introduction of the new Religious Education and Prayer and Liturgy directories.

#### **Saint Joseph's Catholic Primary School**

A school serving a diverse community and with a range of languages spoken, many pupils have low starting points due to the ability to communicate. However, Maths achieves excellent outcomes as the same level of language is not as imperative for success. The phonics scheme is successful with 75% achievement at Year 1, and Grammar, Punctuation and Spelling is also an area to be celebrated at Key Stage 2.

There is work to be done to improve outcomes at all phases, and work towards this includes appointing an EYFS lead to provide strong foundations for the following stages. An updated school library, home reading scheme and reading projects through an education endowment foundation are contributing to the encouragement and enjoyment of reading.

#### **The Blessed Sacrement**

The performance of Early Years children was particularly pleasing this year, achieving 65% Good Level of Development, a 20% increase from the previous year. Reading is continuing to improve at Key Stage 1 (up 13%) along with Maths at Key Stage 2 which saw a 10% increase in the number of children achieving the expected standard.

There has been a continuing focus on developing outcomes at all key assessment points. Subject leadership and assessment of key knowledge is being strengthened across the curriculum, along with the implementation of the new Religious Education Directory.

#### **Our Lady and St Edward's Catholic Primary School**

A pleasing year overall for results, in particular there was a significant improvement with the KS2 GPS result compared with the previous year. The school has also been engaging with the maths hub and looking at mastery in maths; this approach is having a positive impact on outcomes as a result of being able to work at a greater depth.

Phonics continues to be an area of focus. Initial analysis of data indicates an improved starting point for the 2023-24 year 1, as they are benefiting from the consistent approach of content and delivery from the scheme adopted.

## **Trustees' Report**

### **For the Year Ended 31 August 2023**

#### **Saint Teresa's Catholic Primary School**

The 2022-23 results show that a key focus for St Teresa's must be on all areas of KS2. An increase in pupil numbers mid-year had a considerable impact on outcomes, and work is already underway to balance learning across this stage of school life. This will include teacher development as well as pupil learning.

While there is work to be done to improve outcomes, Phonics results were excellent and to be celebrated. Building on this success, writing across all phases will continue to be focused upon, as will the combined impact of RWM.

#### **Saint Augustine's Catholic Primary School**

The school serves a diverse community, with the proportion of children with EAL and those who are in receipt of the Pupil Premium significantly above the national average.

Despite this, all performance measures at the end of Key Stage 1 were above the national average, as was the proportion of pupils who achieved the expected standard in reading, writing and mathematics combined at Key Stage 2.

School leaders have developed a robust plan to further improve future outcomes with a particular focus on Year 1 phonics and Key Stage 2 reading, both of which fell marginally short of the national average due to the performance of children who joined the school part-way through their respective key stages.

#### **Saint Clare's Catholic Primary School**

The results of the pupils are a testament to the quality of teaching and learning across the school. Pupils live up to the high expectations that leaders have of them, both academically and socially.

While in general results are high across the school, in comparison EYFS is significantly below, due to the influx of children joining our school community and being new to the county.

EAL for this cohort was 26%; this is expected to be similar picture in 2023 as 31% of Reception class children do not speak English as their first language. Work will continue with this class, and all stages to ensure all pupils become confident, lifelong learners.

#### Going concern

After making appropriate enquiries, the Board of Directors has a reasonable expectation that the academy 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 accounting policies in note 1.

## **Trustees' Report**

### **For the Year Ended 31 August 2023**

#### **Financial review**

The Trust's total incoming resources during the year were £10,527,428, which included £1,540,952 that was transferred from the local authority on conversion of the seven schools to the Academy. The majority of the Trust's income derives from central government funding via the Education and Skills Funding Agency, in the form of government grants. Total funding received for the Trust's educational operations in the period was £8,196,671 and further details are provided in note 3 to the accounts.

Total outgoing resources for the year were £8,633,616. The excess of income over expenditure was £1,893,812.

At the end of the period the Trust's total reserves were £1,879,812, including unrestricted funds of £99,617, restricted fixed assets of £261,984 and other restricted funds of £1,518,211.

At 31 August 2023 all assets shown in the accounts were used exclusively for providing education and associated support services to pupils of the Trust.

#### Reserves Policy

Reserves are held to cover:

- Ensure sustainability of the schools in the event of cashflow and contingency requirements;
- Planned or anticipated future commitments to replacement of equipment and capital projects;
- Enable the Trust to respond to opportunities and implement strategic plans.

The Directors have considered the level of reserves which they believe will provide sufficient working capital to cover the elements identified above. To achieve this, the Directors believe that the appropriate level of reserves should be equal to 8% - 16% of GAG income.

#### Investment Policy

The Directors, having due regard to the Charity Commission guidance have approved an Investment Policy delegating the day-to-day management of investments to the Chief Finance Officer within the guidelines of the policy. The Trust does not currently hold any investments other than cash, which is held for its normal operations.

The Board of Directors has adopted a low risk strategy to its cash holdings and will only invest in low risk deposit accounts. The aim of the policy is to ensure funds that the Trust does not immediately need to cover anticipated expenditure are invested in such a way as to maximise the Trust's investment return with acceptable risk.

#### Principal risks and uncertainties

The Directors have assessed the risks to which the Trust is exposed and are satisfied that systems are in place to manage the identified risks effectively. A risk register is maintained in which identified risks are recorded which are reported to the Board at each of their meetings. A review of the Trust's risk management processes will be undertaken on an annual basis and key controls will be continually improved.

## **Trustees' Report**

### **For the Year Ended 31 August 2023**

The Directors identified the key risks as standards and curriculum development at the academies, the long-term impact of low school funding levels against a backdrop of increased costs in particular around energy and staffing costs.

The internal financial systems are based on the Academy Trust Handbook and are documented in the Financial Regulations. The systems are based on a framework of segregation of duties, schemes of delegation which include authorisation and approval. Financial management information is provided

to the Board of Directors on a termly basis and the Chair of Directors receives a monthly update. No major issues have been identified. Recommendations for the improvements to systems and procedures have already been implemented or are in the process of being implemented.

#### **Fundraising**

Under the provisions of the Charities (Protection and Social Investment) Act 2016 this section must include information on fundraising practices.

The Trust undertakes a small amount of fundraising partly to fund projects within individual academies for example to provide equipment for pupils or to raise funds to pass on to other charities. We contact parents by letter to raise awareness of the fundraising no more than once per year and by text message prior to any specific event, for example a non-uniform day to raise funds for local charities.

We do not work with any commercial participators or professional fundraisers and have received no complaints about our fundraising. We believe that the small amount of fundraising undertaken is not unreasonably intrusive or persistent and there is no undue pressure placed on parents to donate.

#### **Plans for future periods**

The next academic year will see a continuation of the work to improve standards and deliver an extensive and challenging curriculum and best practice in teaching and learning. Across the Trust we will:

- Develop and implement a broad and ambitious curriculum from EYFS to post-16;
- Achieve excellence for pupils in all areas;
- Continue to improve the education of the whole child (John 10:10)
- Further develop and implement well-being strategies for pupils and staff across the Trust
- Further develop a trust-wide understanding of ethos for all stakeholders
- Develop the Trust in line with the Diocesan strategy.

The ambition of the Trust to grow aligns with the Diocesan plan of the Bishop of Lancaster. For Mater Ecclesiae, the proposed future Trust includes 23 schools, serving over 6000 learners. The Trust is committed to growing in line with the Bishop's vision for academisation through development that is sustainable and ensures that the whole organisation benefits as new schools join.

## **Trustees' Report**

### **For the Year Ended 31 August 2023**

#### **Auditor**

The Trustees have confirmed, that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the Trustees has confirmed that they have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The auditors, Murray Smith LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 4 December 2023 and signed on its behalf by:

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**R Mason**  
**Chair of Trustees**

## **Governance Statement**

### **For the Year Ended 31 August 2023**

#### **Scope of responsibility**

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

The Board of Directors has delegated the day-to-day responsibility to the Chief Executive Officer, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Mater Ecclesiae Catholic Multi Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Directors any material weaknesses or breakdowns in internal control.

#### **Governance**

The information on governance included here supplements that described in the Directors' Report and in the Statement of Directors' Responsibilities. During the year the 7 Board of Directors meetings were held face-to-face with option to join virtually available. The board maintained effective oversight of funds through the Finance, Audit, Resources and Remuneration committee.

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

<b>Directors</b>	<b>Meetings attended</b>	<b>Out of possible</b>
Roger Mason (Chair)	6	7
Damian Callagher	7	7
Robert Deed	6	7
Ken Dennis	4	7
Julie Jones	7	7
Jacky Kennedy	5	7
Canon Adrian Towers	6	7
Rebecca Wilkinson	4	7

#### **Conflicts of interest**

The Trust manages conflicts of interest by maintaining an up-to-date and complete register of pecuniary interests for all directors and key personnel across the trust.

In the unlikely event that a pecuniary interest existed that could result in interest in a contract being awarded by the trust, a full competitive pricing process with a minimum of 3 quotes or full tender would be completed for purchases over £30k.

Individuals with a pecuniary interest would be excluded from all meetings and negotiations around contracts that could be awarded in an area where a conflicting pecuniary interest exists.

## Governance Statement

### For the Year Ended 31 August 2023

#### Governance reviews

The Board of Directors undertook a Governance review in June 2023 via an external auditor, for which the reassurance outcome was 'Substantial'. The recommendations for actions are being implemented.

Separate reviews were also undertaken for Finance Controls (Substantial outcome) and Cyber Security (Weak Outcome). Again, recommendations for actions are being implemented.

The Finance, Audit, Resources and Remuneration Committee (FARR) is a sub-committee of the main Board of Directors. Its purpose is to oversee the Trust budget and academies' budgets to ensure regularity, propriety and value for money and to show that Trust funds are used in accordance with charity law, company law, and the funding agreement. Attendance at FARR meetings during the year was as follows:

Directors	Meetings attended	Out of a possible
Roger Mason	5	5
Robert Deed	5	5
Ken Dennis	3	5
Julie Jones	3	5
Rebecca Wilkinson	1	5

#### Review of Effectiveness

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

- the work of the 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

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

Approved by order of the members of the board of trustees on 4 December 2023 and signed on its behalf by:

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**R Mason**  
**Chair of Trustees**

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**P Duffy**  
**Accounting Officer**

## **Statement of Regularity, Propriety and Compliance For the Year Ended 31 August 2023**

As accounting officer of Mater Ecclesiae Catholic Multi-Academy Trust, I have considered my responsibility to notify the Academy Trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement 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 Academy Trust Handbook 2022, including responsibilities for estates safety and management.

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

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.

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**P Duffy**  
**Accounting Officer**  
**4 December 2023**

## **Statement of Trustees' Responsibilities For the Year Ended 31 August 2023**

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

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

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

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

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

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

**Statement of Trustees' Responsibilities  
For the Year Ended 31 August 2023**

Approved by order of the members of the board of trustees on 4 December 2023 and signed on its behalf by:

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**R Mason  
Chair of Trustees**

## **Independent Auditor’s Report on the Financial Statements to the Members of Mater Ecclesiae Catholic Multi-Academy Trust**

### **Opinion**

We have audited the financial statements of Mater Ecclesiae Catholic Multi-Academy Trust for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law, 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), and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency (ESFA).

In our opinion the financial statements:

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

### **Basis for opinion**

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

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Trust’s use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast doubt on the Academy Trust’s ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

## **Independent Auditor's Report on the Financial Statements to the Members of Mater Ecclesiae Catholic Multi-Academy Trust**

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

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report, but does not include the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- The Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

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

In the light of 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.

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

- proper accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns; or
- all the information and explanations required for the audit were not received.

## **Independent Auditor’s Report on the Financial Statements to the Members of Mater Ecclesiae Catholic Multi-Academy Trust**

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees’ Responsibilities set out in the trustee’s annual report, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board of Trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Trustees is 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 Board of Trustees either intends to liquidate the Academy Trust or to cease operations, or has no realistic alternative but to do so.

### **Our responsibilities for the audit of the financial statements**

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

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

The audit procedures designed to identify irregularities included:

- enquiry of management and those charged with governance around actual and potential litigation and claims
- enquiry of Academy Trust staff with responsibilities for compliance matters to identify any instances of non-compliance with laws and regulations
- reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

## Independent Auditor's Report on the Financial Statements to the Members of Mater Ecclesiae Catholic Multi-Academy Trust

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, intentional misrepresentations or through collusion.

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

### Use of our report

This report is made solely to the 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 Members, as a body, those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy Trust and the Members, as a body, for our audit work, for this report, or for the opinions we have formed.

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Michael Benson (Senior Statutory Auditor)  
For and on behalf of Murray Smith LLP  
Chartered Accountants  
Statutory Auditors  
Darland House  
44 Winnington Hill  
Northwich  
Cheshire  
CW8 1AU

**Date 4 December 2023**

## **Independent Reporting Accountant’s Assurance Report on Regularity to Mater Ecclesiae Catholic Multi-Academy Trust and the Education and Skills Funding Agency**

In accordance with the terms of our engagement letter and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Mater Ecclesiae Catholic Multi-Academy Trust during the period from 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Respective responsibilities of Mater Ecclesiae Catholic Multi-Academy Trust’s accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Mater Ecclesiae Catholic Multi-Academy Trust’s funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession’s ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2022 to 2023. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

### **Approach**

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

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

## **Independent Reporting Accountant’s Assurance Report on Regularity to Mater Ecclesiae Catholic Multi-Academy Trust and the Education and Skills Funding Agency**

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

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

The work undertaken to draw to our conclusion includes:

- review of arrangements in place over financial management; and
- review of the Trust’s expenditure during the year.

### **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 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

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**Murray Smith LLP**

**Date 4 December 2023**

Chartered Accountants and Statutory Auditors  
Darland House  
44 Winnington Hill  
Northwich  
Cheshire CW8 1AU

**Statement of Financial Activities for the year ended 31 August 2023**

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2023 £	Total 2022 £
<b>Income and endowments from:</b>						
Donations and capital grants	2	44,847	-	271,148	315,995	-
Transfer from local authority on conversion	28	120,872	1,388,933	31,147	1,540,952	-
Charitable activities:						
Funding for the Academy Trust's educational activities	3	-	8,196,671	-	8,196,671	-
Other trading activities	4	330,606	50,967	-	381,573	-
Investments	5	237	92,000	-	92,237	-
<b>Total income</b>		<b>496,562</b>	<b>9,728,571</b>	<b>302,295</b>	<b>10,527,428</b>	<b>-</b>
<b>Expenditure on:</b>						
Raising funds	6	396,945	-	-	396,945	-
Charitable activities:						
Academy Trust's educational operations	7	-	8,196,360	40,311	8,236,671	-
Other		-	-	-	-	-
<b>Total expenditure</b>		<b>396,945</b>	<b>8,196,360</b>	<b>40,311</b>	<b>8,633,616</b>	<b>-</b>
<b>Net income / (expenditure)</b>		<b>99,617</b>	<b>1,532,211</b>	<b>261,984</b>	<b>1,893,812</b>	<b>-</b>
<b>Transfers between funds</b>	16	-	-	-	-	-
<b>Other recognised gains / (losses):</b>						
Actuarial gains / (losses) on defined benefit pension schemes	26	-	(14,000)	-	(14,000)	-
<b>Net movement in funds</b>		<b>99,617</b>	<b>1,518,211</b>	<b>261,984</b>	<b>1,879,812</b>	<b>-</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		-	-	-	-	-
<b>Total funds carried forward</b>		<b>99,617</b>	<b>1,518,211</b>	<b>261,984</b>	<b>1,879,812</b>	<b>-</b>

**Balance Sheet as at 31 August 2023**

	Notes	31 August 2023 £	31 August 2022 £
<b>Fixed assets</b>			
Tangible assets	12	174,287	-
<b>Current assets</b>			
Debtors	13	980,600	-
Cash at bank and in hand		7,485,264	-
		<b>8,465,864</b>	-
<b>Current Liabilities</b>			
Creditors: amounts falling due within one year	14	(6,744,947)	-
<b>Net current assets</b>		<b>1,720,917</b>	-
<b>Total assets less current liabilities</b>		<b>1,895,204</b>	-
Creditors – amounts falling due after more than one year	15	(15,392)	-
<b>Net assets excluding pension asset / liability</b>		<b>1,879,812</b>	-
Defined benefit pension scheme asset / (liability)	26	-	-
<b>Total net assets</b>		<b>1,879,812</b>	-
<b>Funds of the Academy Trust:</b>			
<b>Restricted funds</b>			
Fixed asset fund	16	261,984	-
Restricted income fund	16	1,518,211	-
Pension reserve	16	-	-
<b>Total restricted funds</b>		<b>1,780,195</b>	-
<b>Unrestricted income funds</b>	16	99,617	-
<b>Total funds</b>		<b>1,879,812</b>	-

The financial statements on pages 24 to 55 were approved by the trustees and authorised for issue on 4 December 2023 and are signed on their behalf by:

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**R Mason**  
**Chair of Trustees**

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**P Duffy**  
**Accounting Officer**

**Statement of Cash Flows for the year ended 31 August 2023**

	Note	Year ended 31 August 2023 £	Year ended 31 August 2022 £
<b>Cash flow from operating activities</b>			
Net cash provided by (used in) operating activities	20	5,866,068	-
<b>Cash flows from investing activities</b>	22	87,934	-
<b>Cash flows from financing activities</b>	21	(3,032)	-
<b>Change in cash and cash equivalents in the reporting period</b>		<b>5,950,970</b>	-
<b>Cash and cash equivalents at 1 September 2022</b>		-	-
Cash transferred from schools on conversion	28	1,534,294	-
<b>Cash and cash equivalents at 31 August 2023</b>	23	<b>7,485,264</b>	-

## **Notes to the accounts**

### **For the Year Ended 31 August 2023**

#### **1. Accounting policies**

The Mater Ecclesiae Catholic Multi-Academy Trust is a charitable company, incorporated in England and Wales. The address of the 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.

#### **Basis of Preparation**

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

#### **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 Trust to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that Mater Ecclesiae Catholic Multi-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 adopt the going concern basis of accounting in preparing the financial statements.

#### **Basis of accounting**

The financial statements are prepared in accordance with the historical cost convention as modified by the use of previous valuations as deemed cost at transition for certain non-current assets.

#### **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.

## **Notes to the accounts**

### **For the Year Ended 31 August 2023**

#### **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 (GAG) 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.

##### **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.

##### **Investment Income**

All income from short term deposit accounts is credited to the Statement of Financial Activities in the period in which it is earned on a receivable basis.

##### **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 financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

## Notes to the accounts

### For the Year Ended 31 August 2023

#### 1. Accounting policies (continued)

##### **Transfer on conversion**

Where assets and liabilities are received by the Academy Trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised as transfer on conversion within donations and capital grant income to the net assets received.

##### **Donated fixed assets (excluding transfers on conversion/into the Academy Trust)**

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

#### **Expenditure**

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

- **Expenditure on Raising Funds**

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

- **Charitable Activities**

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

All resources expended are inclusive of irrecoverable VAT, where applicable.

## **Notes to the accounts**

### **For the Year Ended 31 August 2023**

#### **1. Accounting policies (continued)**

##### **Tangible Fixed Assets**

The Academy Trust company occupies the land and buildings which are owned by the Lancaster Roman Catholic Diocesan Trust. The trustees are the providers of the academies' land and buildings on the same basis as when the academies were maintained schools. The Academy Trust company occupies the land and buildings under a mere licence. This continuing permission of their trustees is pursuant to, and subject to, the trustees' charitable objects, and is part of the Catholic Church's contribution since 1847 to provide State funded education in partnership with the State. The licence delegates aspects of the management of the land and buildings to the Academy Trust company for the time being, but does not vest any rights over the land in the Academy Trust company. The trustees of the Lancaster 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 or buildings. Having considered the factual matrix under which the Academy Trust company is occupying the land and buildings the directors have concluded that the value of the land and buildings occupied by the Academy Trust company will not be recognised on the balance sheet of the Academy Trust.

In addition, the academy inherited the fixtures and fittings and other tangible assets in use by the seven schools at the date of conversion. These assets had been held for a significant period of time and were fully depreciated. An estimate of the current fair value was not readily available and the cost of obtaining a valuation was considered to be disproportionate to the value of including such a valuation in the accounts. No value has therefore been included in the accounts for these assets.

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

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

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

## Notes to the accounts

### For the Year Ended 31 August 2023

#### 1. Accounting policies (continued)

Vehicles, plant and equipment	– 4 years
ICT	– 3 years
Fixtures, fittings and equipment	– 5 years
Leasehold improvements	– 4 years
Long leasehold buildings	– 50 years
Long leasehold land	– 125 years

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

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.

#### *Subsequent expenditure on existing fixed assets*

Where significant expenditure is incurred on tangible fixed assets after initial purchase it is charged to the statement of financial activities in the period it is incurred unless it increases the future benefits to the Academy Trust, in which case it is capitalised and depreciated on the relevant basis.

#### **Liabilities**

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

#### **Provisions**

Provisions are recognised when the Academy Trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

#### **Leased Assets**

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

## **Notes to the accounts**

### **For the Year Ended 31 August 2023**

#### **1. Accounting policies (continued)**

##### **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.

##### **Taxation**

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

##### **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.

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

## **Notes to the accounts**

### **For the Year Ended 31 August 2023**

#### **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/(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.

#### **Fund Accounting**

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education and Skills Funding Agency (ESFA).

#### **Critical accounting estimates and areas of judgement**

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

#### *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.

## Notes to the accounts

### For the Year Ended 31 August 2023

#### 1. Accounting policies (continued)

##### Impairment of fixed assets

At each balance sheet date, management undertake an assessment of the carrying value of tangible fixed assets to determine whether there is any indication that the value has been impaired. Where necessary, an impairment is recorded as an impairment loss.

##### Impairment of debtors

At each balance sheet date, management undertake a review of outstanding debtor balances and consider whether there is any indication of impairment or any balances requiring provision. This calculation is based on the financial position of the debtors, the payment history and any ongoing discussions.

##### Valuation of the Local Government Pension Scheme defined benefit liability

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability. The Trust has not recognised the pension asset calculated by the actuary.

##### *Critical areas of judgement*

##### Classification of occupied land and buildings owned by the Diocese

The Academy Trust occupies the land and buildings which are owned by the Lancaster Roman Catholic Diocesan Trust. The trustees are the providers of the academies' land and buildings on the same basis as when the academies were maintained schools. The Academy Trust company occupies the land and buildings under licence. The land and buildings are not included in the accounts. Further information on the accounting treatment adopted can be found in the tangible fixed assets accounting policy.

##### Useful economic life of tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

## Notes to the accounts

### For the Year Ended 31 August 2023

#### 1. Accounting policies (continued)

##### Classification of finance and operating leases

At the inception of each lease, management undertake an assessment of the terms of the lease including the payments to be made over the life of the lease, the fair value of the asset subject to the lease, the length of the lease and whether the terms of the lease transfer substantially all of the risks and rewards of ownership. Based on this assessment, management will determine whether the lease should be classified as a finance or operating lease.

#### 2. Donations and capital grants

	Unrestricted Funds £	Restricted Funds £	2023 Total £	2022 Total £
Capital grants	-	271,148	271,148	-
Donated fixed assets	-	-	-	-
Other donations	44,847	-	44,847	-
<b>Total</b>	<b>44,847</b>	<b>271,148</b>	<b>315,995</b>	<b>-</b>

## Notes to the accounts

### For the Year Ended 31 August 2023

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

	Unrestricted Funds £	Restricted Funds £	2023 Total £	2022 Total £
<b>DfE / ESFA grants</b>				
General Annual Grant (GAG)	-	6,356,082	6,356,082	-
Other DfE/ESFA grants				
UIFSM	-	111,439	111,439	-
Pupil premium	-	559,397	559,397	-
Start up grants	-	175,000	175,000	-
Others	-	413,179	413,179	-
Other DfE Group grants	-			-
<b>Other Government grants</b>				
Local authority grants	-	313,543	313,543	-
Special education projects	-	268,031	268,031	-
Other income from the Academy Trust's educational operations	-	-	-	-
	-	<b>8,196,671</b>	<b>8,196,671</b>	-

#### 4. Other trading activities

	Unrestricted Funds £	Restricted Funds £	2023 Total £	2022 Total £
Hire of facilities	19,612	-	19,612	-
Income from other charitable activities	-	-	-	-
Income from ancillary trading activities	310,994	50,967	361,961	-
<b>Total</b>	<b>330,606</b>	<b>50,967</b>	<b>381,573</b>	-

## Notes to the accounts

### For the Year Ended 31 August 2023

#### 5. Investment income

	Unrestricted Funds £	Restricted Funds £	2023 Total £	2022 Total £
Short term deposits - interest	237	-	237	-
Defined benefit pension interest	-	92,000	92,000	
<b>Total</b>	<b>237</b>	<b>92,000</b>	<b>92,237</b>	-

#### 6. Expenditure

	Staff Costs £	Premises £	Other £	2023 Total £	2022 Total £
<i>Expenditure on raising funds:</i>					
Direct costs	38,736	-	358,209	396,945	-
Allocated support costs	-	-	-	-	-
<i>Academy Trust's educational operations:</i>					
Direct costs	2,794,573	-	483,438	3,278,011	-
Allocated support costs	4,009,935	502,572	446,153	4,958,660	-
<b>Total</b>	<b>6,843,244</b>	<b>502,572</b>	<b>1,287,800</b>	<b>8,633,616</b>	-

Net expenditure for the period includes:

	2023 £	2022 £
Operating lease rentals	28,762	-
Depreciation	40,311	-
Fees payable to auditor for:		
-audit	16,750	-
-other services	5,950	-

## Notes to the accounts

### For the Year Ended 31 August 2023

#### 7. Charitable Activities

	2023	2022
	£	£
Direct costs – educational operations	3,278,011	-
Support costs – educational operations	4,958,660	-
	<b>8,236,671</b>	<b>-</b>

#### Analysis of support costs

	2023	2022
	Educational Operations	Educational Operations
	£	£
Support staff costs	4,009,935	-
Legal costs - conversion	56,485	-
Legal costs - other	3,750	-
Premises costs	502,572	-
Other support costs	346,335	-
Governance costs	39,583	-
<b>Total support costs</b>	<b>4,958,660</b>	<b>-</b>

#### 8. Staff

##### a. Staff costs

Staff costs during the period were:

	2023	2022
	£	£
Wages and salaries	5,158,120	-
Social security costs	431,889	-
Pension costs	1,074,059	-
	<b>6,664,068</b>	<b>-</b>
Agency staff costs	178,862	-
Staff restructuring costs	314	-
<b>Total staff costs</b>	<b>6,843,244</b>	<b>-</b>

##### b. Staff numbers

The average number of persons employed by the Academy Trust during the period was:

	2023	2022
Teachers	79	-
Administration and support	197	-
Management	19	-
	<b>295</b>	<b>-</b>

## Notes to the accounts

### For the Year Ended 31 August 2023

#### 8. Staff (continued)

##### c. Higher paid staff

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

	<b>2023</b>	<b>2022</b>
	<b>No</b>	<b>No</b>
£60,001 to £70,000 p.a.	4	-
£70,001 to £80,000 p.a.	3	-
£80,001 to £90,000 p.a.	1	-

##### d. Key management personnel

Key management personnel of the Academy Trust comprise the trustees and the senior leadership team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £115,003 (actual amounts in period) (2022: £0).

#### 9. Central services

The Academy Trust has provided the following central services to its academies during the year: human resources, financial services, legal services and educational support services.

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

- 3% of GAG income for the year

The amounts charged during the year were as follows:

	<b>2022/23</b>	<b>2021/22</b>
	<b>£</b>	<b>£</b>
St Augustine's Catholic Primary School	<b>28,824</b>	-
Saint Clare's Catholic Primary School	<b>24,229</b>	-
The Blessed Sacrament Catholic Primary School	<b>41,820</b>	-
St Joseph's Catholic Primary School	<b>35,538</b>	-
Our Lady & St Edward's Catholic Primary School	<b>20,171</b>	-
St Teresa's Catholic Primary School	<b>20,554</b>	-
St Bernard's Catholic Primary School and Nursery	<b>21,455</b>	-
	<b>192,591</b>	-

## **Notes to the accounts**

### **For the Year Ended 31 August 2023**

#### **10. Related party transactions – Trustees’ remuneration and expenses**

No trustees have been paid remuneration or have received other benefits from employment with the Academy Trust.

During the year ended 31 August 2023 £30 of travel and subsistence expenses were reimbursed or paid directly to the trustees (2022: £0).

#### **11. Trustees and Officers’ Insurance**

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides unlimited cover on any one claim and forms part of a commercial combined policy. Because the policy combines a number of different insurances the cost for the Trustees’ and Officers’ liability cover is not separately identifiable and is included in the total insurance cost.

## Notes to the accounts

### For the Year Ended 31 August 2023

#### 12. Tangible fixed assets

	Leasehold improvements	Motor Vehicles	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost or valuation				
At 1 September 2022	-	-	-	-
Transfer on conversion	-	31,147	-	31,147
Additions	57,661	-	125,790	183,451
Disposals	-	-	-	-
<b>At 31 August 2023</b>	<b>57,661</b>	<b>31,147</b>	<b>125,790</b>	<b>214,598</b>
<b>Depreciation</b>				
At 1 September 2022	-	-	-	-
Charge for period	11,532	7,787	20,992	40,311
Eliminated in respect of disposals	-	-	-	-
<b>At 31 August 2023</b>	<b>11,532</b>	<b>7,787</b>	<b>20,992</b>	<b>40,331</b>
Net book value at 31 August 2022	-	-	-	-
<b>Net book value at 31 August 2023</b>	<b>46,129</b>	<b>23,360</b>	<b>104,798</b>	<b>174,287</b>

#### 13. Debtors

Amounts falling due within one year:	2023	2022
	£	£
Trade debtors	2,326	-
VAT recoverable	301,941	-
Prepayments and accrued income	676,333	-
	<b>980,600</b>	<b>-</b>

## Notes to the accounts

### For the Year Ended 31 August 2023

#### 14. Creditors: amounts falling due within one year

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Trade creditors	328,116	-
Other taxation and social security	48,771	-
Other loans	6,065	-
Other creditors	5,978,606	-
Accruals and deferred income	383,389	-
	<b>6,744,947</b>	<b>-</b>
	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Deferred income at 31 August 2022	-	-
Released from previous years	-	-
Resources deferred in year	198,615	-
<b>Deferred income at 31 August 2023</b>	<b>198,615</b>	<b>-</b>

At the balance sheet date the Academy Trust was holding the following funds received in advance:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
UIFSM	149,464	-
Devolved capital formula grant	49,151	-
	<b>198,615</b>	<b>-</b>

#### 15. Creditors: amounts falling due after one year

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Other loans	15,392	-
	<b>15,392</b>	<b>-</b>

## Notes to the accounts

### For the Year Ended 31 August 2023

#### 16. Funds

	Balance at 1 September 2022	Income	Expenditure	Gains (Losses) and Transfers	Balance at 31 August 2023
	£	£	£	£	£
<b>Restricted General Funds</b>					
General Annual Grant (GAG)	-	6,356,082	(4,837,871)	-	1,518,211
Start up grants	-	175,000	(175,000)	-	-
UIFSM	-	111,439	(111,439)	-	-
Pupil premium	-	559,397	(559,397)	-	-
Other DfE/ESFA grants	-	413,179	(413,179)	-	-
Transfers on conversion		1,388,933	(1,388,933)	-	-
Other government grants	-	581,574	(581,574)	-	-
Other income	-	142,967	(142,967)	-	-
Pension Reserve	-	-	14,000	(14,000)	-
	-	9,728,571	(8,196,360)	(14,000)	1,518,211
<b>Restricted Fixed Asset Funds</b>					
Transfer on conversion	-	31,147	(7,787)	-	23,360
DfE group capital grants	-	271,148	(32,524)	-	238,624
	-	302,295	(40,311)	-	261,984
<b>Total Restricted Funds</b>	-	10,030,866	(8,236,671)	(14,000)	1,780,195
<b>Total Unrestricted Funds</b>	-	496,562	(396,945)	-	99,617
<b>Total Funds</b>	-	10,527,428	(8,633,616)	(14,000)	1,879,812

## Notes to the accounts

### For the Year Ended 31 August 2023

#### 16. Funds (continued)

The Academy Trust is not subject to GAG carried forward limits.

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

Restricted general funds – includes all income with specified criteria attached to its use and the corresponding expenditure in relation to this income.

Restricted fixed asset funds – includes all income and expenditure related to the purchase of fixed assets.

Unrestricted funds – includes all other income and expenditure which has no specific criteria attached to its use.

#### Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	2023	2022
	£	£
St Augustine's Catholic Primary School	162,157	-
Saint Clare's Catholic Primary School	262,563	-
The Blessed Sacrament Catholic Primary School	404,010	-
St Joseph's Catholic Primary School	311,295	-
Our Lady & St Edward's Catholic Primary School	221,616	-
St Teresa's Catholic Primary School	186,915	-
St Bernard's Catholic Primary School and Nursery	170,923	-
Central Services	(101,651)	-
Total before fixed assets and pension reserve	<u>1,617,828</u>	-
Restricted fixed asset fund	261,984	-
Pension reserve	-	-
<b>Total</b>	<u><u>1,879,812</u></u>	-

## Notes to the accounts

### For the Year Ended 31 August 2023

#### 16. Funds (continued)

##### Total cost analysis by academy

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

	<b>Teaching and Educational Support Staff Costs £</b>	<b>Other Support Staff Costs £</b>	<b>Educational Supplies £</b>	<b>Other Costs (excluding depreciation) £</b>	<b>2022/23  Total £</b>
St Augustine's Catholic Primary School	375,435	596,153	42,109	144,312	<b>1,158,009</b>
Saint Clare's Catholic Primary School	294,136	497,534	43,672	112,928	<b>948,270</b>
The Blessed Sacrament Catholic Primary School	595,396	755,113	99,771	280,399	<b>1,730,679</b>
St Joseph's Catholic Primary School	618,960	662,767	75,844	202,831	<b>1,560,402</b>
Our Lady & St Edward's Catholic Primary School	309,970	405,401	33,158	147,808	<b>896,337</b>
St Teresa's Catholic Primary School	305,267	457,665	49,939	135,355	<b>948,226</b>
St Bernard's Catholic Primary School and Nursery	295,409	527,723	35,904	121,619	<b>980,655</b>
Mater Ecclesiae Catholic Multi Academy Trust	-	68,315	940	220,322	<b>289,577</b>
	<b>2,794,573</b>	<b>3,970,671</b>	<b>381,337</b>	<b>1,365,574</b>	<b>8,512,155</b>

## Notes to the accounts

### For the Year Ended 31 August 2023

#### 17. Analysis of Net Assets between Funds

Fund balances at 31 August 2023 are represented by:

	<b>Unrestricted Funds</b>	<b>Restricted General Funds</b>	<b>Restricted Fixed Asset Funds</b>	<b>Total Funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Tangible fixed assets	-	-	174,287	<b>174,287</b>
Current assets	99,617	8,278,550	87,697	<b>8,465,864</b>
Current liabilities	-	(6,744,947)	-	<b>(6,744,947)</b>
Non-current liabilities	-	(15,392)	-	<b>(15,392)</b>
Pension scheme liabilities	-	-	-	-
<b>Total net assets</b>	<b>99,617</b>	<b>1,518,211</b>	<b>261,984</b>	<b>1,879,812</b>

#### 18. Capital and other commitments

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Commitments contracted for, but not provided for in the financial statements	-	-

#### 19. Long-term commitments, including operating leases

##### Operating leases

At 31 August 2023 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Amounts due within one year	37,474	-
Amounts due between one and five years	10,480	-
Amounts due after five years	-	-
	<b>47,954</b>	<b>-</b>

## Notes to the accounts

### For the Year Ended 31 August 2023

#### 20. Reconciliation of net income/ (expenditure) to net cash flow from operating activities

	2023	2022
	£	£
Net income / (expenditure) for the period	1,893,812	-
Adjusted for:		-
Net assets transferred on conversion	(1,540,952)	
Depreciation	40,311	-
Capital grants from DfE and other capital grants	(271,148)	-
Interest paid	-	-
Interest receivable	(237)	-
Defined benefit scheme cost less contributions payable	78,000	-
Defined pension scheme finance cost	(92,000)	-
(Increase) / decrease in debtors	(980,600)	-
Increase / (decrease) in creditors	6,738,882	-
<b>Net cash provided by operating activities</b>	<b>5,866,068</b>	<b>-</b>

#### 21. Cash flows from financing activities

	2023	2022
	£	£
Repayments of borrowing	(3,032)	-
Cash inflows from new borrowing	-	-
Interest paid	-	-
<b>Net cash provided by / (used in) financing activities</b>	<b>(3,032)</b>	<b>-</b>

#### 22. Cash flows from investing activities

	2023	2022
	£	£
Purchase of tangible fixed assets	(183,451)	-
Capital grants from DfE/ESFA	271,148	-
Interest received	237	-
<b>Net cash provided by / (used in) investing activities</b>	<b>87,934</b>	<b>-</b>

## Notes to the accounts

### For the Year Ended 31 August 2023

#### 23. Analysis of cash and cash equivalents

	2023	2022
	£	£
Cash in hand and at bank	7,485,264	-
Notice deposits (less than 3 months)	-	-
<b>Total cash and cash equivalents</b>	<b>7,485,264</b>	<b>-</b>

#### 24. Analysis of changes in net debt

	At 1 September 2022	Cash flows £	At 31 August 2023
	£		£
Cash	-	7,485,264	7,485,264
Cash equivalents	-	-	-
	-	<b>7,485,264</b>	<b>7,485,264</b>
Loans falling due within one year	-	(6,065)	(6,065)
Loans falling due after more than one year	-	(15,392)	(15,392)
<b>Total</b>	<b>-</b>	<b>7,463,807</b>	<b>7,463,807</b>

#### 25. Members liability

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

## Notes to the accounts

### For the Year Ended 31 August 2023

#### 26. 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 the Lancashire County Pension Fund. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £149,014 were payable to the schemes at 31 August 2023 (2022: £0) and are included within creditors.

#### Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in Academy Trusts. 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 2020. The valuation report was published by the Department for Education on 30 October 2023. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million
- the SCAPE discount rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 1.7% above the rate of CPI, and is based on the Office for Budget Responsibility's forecast for long-term GDP growth.

## Notes to the accounts

### For the Year Ended 31 August 2023

#### 26. Pension and similar obligations (continued)

The next valuation result is due to be implemented from 1 April 2027.

The employer's pension costs paid to TPS in the year amounted to £898,585 (2022 £0).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website. (<https://www.teacherspensions.co.uk/news/employers/2023/10/valuation-result.aspx>)

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

#### Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £465k (2022 £0), of which employer's contributions totalled £346k (2022 £0) and employees' contributions totalled £119k (2022 £0). The agreed contribution rates for future years are between 14.5% and 17.5% for employers and between 5.5% and 12.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of an Academy Trust closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

#### Principal actuarial assumptions

	<b>At 31 August 2023</b>	<b>At 31 August 2022</b>
Rate of increase in salaries	4.30%	N/A
Future pensions increases	2.90%	N/A
Discount rate for scheme liabilities	5.30%	N/A

## Notes to the accounts

### For the Year Ended 31 August 2023

#### 26. Pension and similar obligations (continued)

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

	At 31 August 2023	At 31 August 2022
<i>Retiring today</i>		
Males	21.0 years	N/A
Females	23.4 years	N/A
<i>Retiring in 20 years</i>		
Males	22.2 years	N/A
Females	25.2 years	N/A

#### Sensitivity Analysis

	2023 £000	2022 £000
Discount rate: + 0.1%	(126)	-
Discount rate: - 0.1%	128	-
Mortality assumption: 1 year increase	(132)	-
Mortality assumption: 1 year decrease	130	-
CPI rate: + 0.1%	128	-
CPI rate: - 0.1%	(126)	-

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

	2023 £000	2022 £000
Equities	4,934	-
Bonds	41	-
Property	968	-
Cash and other liquid assets	61	-
Other	<u>4,190</u>	<u>-</u>
<b>Total fair value of assets</b>	<b><u>10,194</u></b>	<b><u>-</u></b>

The actual return on the scheme assets was £64k.

## Notes to the accounts

### For the Year Ended 31 August 2023

#### 26. Pension and similar obligations (continued)

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

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Current service cost	(411)	-
Interest income	320	-
Interest cost	(228)	-
Benefit changes, gain / (loss) on curtailment and gain / (loss) on settlement	395	-
Notional asset not being recognised less business combinations	(409)	-
Admin expenses	<u>(13)</u>	<u>-</u>
<b>Total amount recognised in the SOFA</b>	<b><u>(346)</u></b>	<b><u>-</u></b>

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

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
<b>At 1 September 2022</b>	-	-
Effect of Business combination	7,008	-
Current service cost	411	-
Effect of settlements	-	-
Interest cost	228	-
Employee contributions	119	-
Actuarial (gain) / loss	(652)	-
Benefits paid	<u>-</u>	<u>-</u>
<b>At 31 August 2023</b>	<b><u>7,114</u></b>	<b><u>-</u></b>

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

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
<b>At 1 September 2022</b>	-	-
Effect of business combination	9,679	-
Interest income	320	-
Actuarial gain / (loss)	(257)	-
Employer contributions	346	-
Employee contributions	119	-
Benefits paid	-	-
Admin expenses	(13)	-
Notional asset not being recognised	<u>(3,080)</u>	<u>-</u>
<b>At 31 August 2023</b>	<b><u>7,114</u></b>	<b><u>-</u></b>

## **Notes to the accounts**

### **For the Year Ended 31 August 2023**

#### **27. 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 Academies Financial Handbook and with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 10.

#### **28. Conversion to an Academy Trust**

On 1 December 2022, the seven predecessor schools, St Augustine's Catholic Primary School, Saint Clare's Catholic Primary School, The Blessed Sacrament Catholic Primary School, St Joseph's Catholic Primary School, Our Lady & St Edward's Catholic Primary School, St Teresa's Catholic Primary School and St Bernard's Catholic Primary School and Nursery, converted to Academy Trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Mater Ecclesiae Catholic Multi-Academy Trust for £nil consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at fair value and recognised in the balance sheet under the appropriate headings, with a corresponding net amount recognised as net incoming resources in the in the Statement of Financial Activities as Donations – transfer from local authority on conversion.

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

## Notes to the accounts

### For the Year Ended 31 August 2023

#### 28. Conversion to an Academy Trust (continued)

In addition, the Academy Trust inherited the fixtures and fittings and other tangible fixed assets in use by the seven schools at the date of conversion. These assets had been held for a significant period of time and were fully depreciated. An estimate of the current fair value was not readily available and the cost of obtaining a valuation was considered to be disproportionate to the value of including such a valuation in accounts. No value has therefore been included in the accounts for these assets.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the statement of financial activities.

<b>Academy</b>	<b>Abbreviation</b>	<b>Location</b>	<b>Date of conversion</b>
St Augustine's Catholic Primary School	St A	Preston	1 December 2022
Saint Clare's Catholic Primary School	St C	Preston	1 December 2022
The Blessed Sacrament Catholic Primary School	BLS	Preston	1 December 2022
St Joseph's Catholic Primary School	St J	Preston	1 December 2022
Our Lady & St Edward's Catholic Primary School	OLSE	Preston	1 December 2022
St Teresa's Catholic Primary School	St T	Preston	1 December 2022
St Bernard's Catholic Primary School and Nursery	St B	Preston	1 December 2022

**Notes to the accounts**  
**For the Year Ended 31 August 2023**

**28. Conversion to an Academy Trust (continued)**

	Academy	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total £
<b>Tangible fixed assets</b>					
Other tangible fixed assets	St C	-	-	3,147	<b>3,147</b>
Other tangible fixed assets	OLSE	-	-	28,000	<b>28,000</b>
<b>Current assets</b>					
Cash at bank and in hand	St A	14,311	135,110	-	<b>149,421</b>
Cash at bank and in hand	St C	20,962	140,558	-	<b>161,520</b>
Cash at bank and in hand	BLS	20,664	303,065	-	<b>323,729</b>
Cash at bank and in hand	St J	-	285,919	-	<b>285,919</b>
Cash at bank and in hand	OLSE	31,297	178,845	-	<b>210,142</b>
Cash at bank and in hand	St T	28,858	212,527	-	<b>241,385</b>
Cash at bank and in hand	St B	4,780	157,398	-	<b>162,178</b>
		<b>120,872</b>	<b>1,413,422</b>	<b>-</b>	<b>1,534,294</b>
<b>Non-current liabilities</b>					
Other loans	BLS	-	(13,616)	-	<b>(13,616)</b>
Other loans	St T	-	(10,873)	-	<b>(10,873)</b>
<b>Net assets/(liabilities)</b>		<b>120,872</b>	<b>1,388,933</b>	<b>31,147</b>	<b>1,540,952</b>